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New Arrests Decapitate Italy's ENI Energy Firm

3 Principal Executives Seized as Corruption Investigation Spreads

By Roger Cohen

ROME — The Italian state energy conglomerate was decimated Thursday by a further wave of arrests, which threw the country's third-largest industrial group into chaos and intensified an increasingly vitriolic debate over the fate of Italy's political and economic leaders.

In pre-dawn raids to Milan, the police rounded up the heads of the oil, gas and engineering subsidiaries of the Ente Nazionale Idrocarburi, or ENI, a group that provides about 44 percent of Italy's energy needs. The arrests, part of the country's widening investigation into systematic bribery and corruption under governments of at least the past decade, followed that of ENI's chairman, Gabriele Cagliari, on Tuesday.

Arrested were Raffaele Santoro, president of the Agip oil unit; Pio Figorini, president of ENI's gas subsidiary Snam, and Gianni dell'Orto, president of the publicly traded Saipem unit, an engineering company specializing in pipelines and oil exploration equipment.

Later in the day, Roberto Ruberti, the head of SACE, Italy's export guarantee body, was also arrested. No details were given, but his detention appeared to stem from separate investigations into credits for Italian exporters and alleged irregularities in the payment of aid to developing countries.

The three ENI executives oversee businesses with total annual sales of about \$16.2 billion. They were charged with the illegal financing of political parties — the most common charge in the so-called "mani pulite" ("clean hands") affair — and falsification of balance sheets.

"How long will this go, and can the country stand the damage?" said a senior ENI executive, who spoke on condition of anonymity. "That is now the question."

Gherardo Colombo, one of the two Milan magistrates leading the investigation, provided a blunt answer. "The more we proceed the more things open up," he said. "Our work keeps increasing rather than diminishing, and the evidence we have is better and better. What has happened up to now is just the beginning."

The ENI arrests were the latest in a fast-growing affair, called "Tangentopoli" ("Kickback City"), that has exposed what was long suspected: that virtually all public contracts were accompanied by bribes or kickbacks parceled out among the country's political parties.

In an interview Thursday, Vittorio d'Alelio, the lawyer for Mr. Cagliari, ENI's president, provided an unusually frank account of the workings of a system that appears to have involved an estimated \$6 billion in bribes annually.

He said that when ENI's turbines subsidiary Nuovo Pignone was being considered in 1989 for a \$250 million contract to build 10 new gas turbines for the state electricity group Enel, Mr. Cagliari was told by a senior Enel executive and a Socialist Party official that Nuovo Pignone would only secure the contract if it agreed to pay a bribe of \$2.5 million, or 1 percent of the contract's value, to the Socialists.

The contract had been the object of a public tender involving both Italian and international companies. The payment, ultimately made from one Swiss bank account to another, was clearly illegal.

"But," said Mr. d'Alelio, "it was a question of either paying up or losing an extremely important contract at a difficult moment for Nuovo Pignone. So Mr. Cagliari agreed against his will."

The lawyer argued that Mr. Cagliari was essentially innocent because Enel and the Socialist Party pressed him into a deal he did not seek.

Nuovo Pignone's president, Franco Ciatti, was also arrested on Tuesday.

The police followed Thursday's arrests with raids on ENI headquarters in Milan, during which they combed documents in the executives' offices. Effectively, their action has now decapitated one of the country's most important industrial groups at a time when many of its businesses were being readied for a privatization sale regarded as essential to addressing Italy's acute economic problems.

Indeed, Snam and Agip, two of ENI's most successful divisions, have been regarded as prime candidates for privatization and a listing on the Milan stock exchange. In all, planned privatizations were expected to raise more than \$16 billion for the state by 1995.

But the current wave of arrests has thrown the public sector into paralysis and many doubt that the government of the Socialist prime minister, Romano Prodi, now has the strength to press ahead with these and other plans.



Roslan Khasbulatov, the speaker of the Russian parliament, visibly pleased after President Boris Yeltsin was stripped of some powers.

Yeltsin Humiliated As Parliament Acts To Cut His Powers

Compiled by Our Staff From Dispatches

MOSCOW — President Boris N. Yeltsin headed for a humiliating defeat at the hands of conservative opponents on Thursday as Russia's legislature moved to strip him of more of his powers and cancel a national referendum he had sought to cement his authority.

The resolution in the Congress of People's Deputies, which will be up for final approval Friday, dealt another blow to Mr. Yeltsin's eroding authority by weakening his ability to carry out free-market policies and by making him more vulnerable to impeachment efforts.

Although the Congress could change its mind, support for the measure was overwhelming, and Mr. Yeltsin's chance of prevailing was slim.

"The situation borders on the catastrophic," one official in the Yeltsin camp commented. "It's really very grim."

But Deputy Prime Minister Boris G. Fyodorov said there was no reason to worry about events at the Congress since the government, charged with transforming Russia's socialist system into a market economy, had no intention of quitting.

"The best is that we reach some kind of agreement where we have the authority to go on with reforms, but it will be a very difficult process," he said.

"It is necessary to continue in the last moment, despite attempts to push the government from the path it has taken."

Climaxing a series of votes on the second day of its emergency session, the Congress by a vote of 623 to 252 voided an agreement reached with Mr. Yeltsin in December to hold a referendum on April 11. That referendum would have addressed the power struggle by asking the people who should govern Russia, the parliament or the president.

Deputies ignored a call for compromise by Mr. Yeltsin, who earlier in the day had issued a stern challenge to Russia's highest parliamentary body.

"The Congress must make a choice between agreement or confrontation," he said. "It's either one or the other."

He added, "The president is the only popularly elected leader and the only symbol of Russia's unity and integrity." His 20-minute speech was broadcast nationwide.

His principal rival for power, the parliamentary speaker, Ruslan I. Khasbulatov, shot back minutes later in an emotional speech that dismissed Mr. Yeltsin's proposals as "petty ideas."

He said the only document the Congress would recognize was the Communist-era constitution. Mr. Khasbulatov described the December power-sharing deal as the "work of the devil" and demanded that it be discarded. He also urged that payment of ministers' salaries be frozen.

Deputies, he said, "are working, toiling away while people from the presidential team swagger to front of microphones, putting the blame on us for this, that and the other."

Mr. Yeltsin left the Kremlin Grand Palace shortly after a hard-line deputy demanded that he be dismissed. Congress, with no clear powers

See RUSSIA, Page 5

Tokyo Agrees To Back a G-7 Crisis Meeting

By Tom Redburn

With the power struggle in Moscow between President Boris N. Yeltsin and his hard-line critics in the Russian legislature still unresolved, Japan bowed to pressure from the West on Thursday by agreeing to support an emergency meeting of the Group of Seven industrialized nations to consider new ways to bolster Mr. Yeltsin.

The conclave, which may include finance ministers as well as foreign ministers from the seven major Western industrial democracies, is likely to occur before Mr. Yeltsin's planned summit meeting with President Bill Clinton in Vancouver on April 3 and 4.

To underscore the renewed sense of urgency in the West about Russian aid, Tokyo took the unprecedented step of inviting Mr. Yeltsin to send a top representative, Deputy Prime Minister Boris G. Fyodorov, to attend a meeting this weekend of senior officials representing the G-7 leaders. Japan issued the invitation as host of this summer's G-7 economic summit meeting in Tokyo. The so-called sherpa were already scheduled to convene in Hong Kong in preparation for the July meeting.

The G-7 consists of the United States, Japan, Germany, France, Britain, Italy and Canada.

The special ministerial session expected later this month appears designed to both satisfy vocal European demands to respond to the plight of Russia's fledgling democracy with some concrete gestures of additional aid while placating Tokyo's wish to avoid any disruptions to the regularly scheduled summit meeting of G-7 leaders.

"There's clearly concern and a growing consensus that there ought to be some action before July," the White House spokeswoman, Dee Dee Myers, told reporters in Washington.

Western leaders, worried that Mr. Yeltsin may lose control in Moscow unless he takes extraordinary measures to wrest power away from the Congress of Peoples

See G7, Page 5

FBI Suspects Foreign Financing of Blast

By Ralph Blumenthal

NEW YORK — Federal investigators said they believed that money used to finance the bombing of the World Trade Center was transferred in recent months from Europe to a New Jersey bank account used by the two suspects now under arrest.

One law-enforcement official said the FBI was trying to trace the source of the wire transfer and that the existence of the money trail "suggests some foreign group was financing them."

He said the money did not appear to have come from either man's family or homeland, but from other possible sources that he declined to name.

Other officials said that \$8,000 had been transferred by wire from Europe in recent months into the joint account, which was listed in the names of Mohammed A. Salamet, Nidal A. Ayyad and others who were not identified.

The officials said that money from the account, at a National Westminster Bank branch situated near a fundamentalist mosque in Jersey City, was withdrawn some time later by Mr. Salamet. He is suspected of leasing a storage locker where bomb-making chemicals were mixed and renting the van that carried the bomb into a trade center parking garage.

A senior investigator said that identifying the foreign source of the

money was expected to help explain a motive behind the Feb. 26 attack, which killed at least five people, injured more than 1,000 and crippled the city's tallest office complex.

The existence of the joint account, mentioned Wednesday in the federal criminal complaint against Mr. Ayyad, and a disclosure from investigators that they were also examining three other bank accounts held by other people who have not yet been charged, added a new dimension to the case.

The bomb itself was large but relatively inexpensive to assemble, according to investigators and explosive experts.

They said it apparently was put together with ordinary chemicals that are widely and cheaply available at chemical supply houses and gardening centers throughout the country.

Experts now estimate that the bomb weighed about 1,000 pounds (450 kilograms) and that the chemicals to make it were bought for a little more than \$400.

The experts said that such a bomb could have been made by almost anyone with the help of one of scores of manuals, obtainable in bookstores and libraries, that provide step-by-step instructions.

"It's very easy to make one of these things," said Edward M. Roy, an explosives expert at the New Mexico Institute of Mining and Technology in Socorro, New Mexico. "I tell my students, a lot of explosives I can make in my wastebasket."

See FORCE, Page 5

U.S. and France At Odds Over A Bosnia Force

By Michael R. Gordon

WASHINGTON — The United States is urging its allies to start preparing an international force that is expected to exceed 50,000 troops, and which would be sent to Bosnia immediately after a peace settlement there, diplomats and military officials said.

But planning for the force, which could include up to 20,000 U.S. troops, is being hampered by a dispute between the United States and France over who would command it.

North Atlantic Treaty Organization members met in Brussels on Wednesday to consider a U.S. proposal to begin formal military planning for a peace force. But the idea was blocked by the French, who objected to the U.S. suggestion that the operation be put under a NATO command.

The White House spokeswoman, Dee Dee Myers, said Thursday that talks were proceeding with allies about such a force but that "no final decisions can be made about anything until the peace plan is agreed upon by the various parties." Reuters reported from Washington.

She also said, "Obviously we'll be sensitive to French concerns about command structure, but no final decisions have been made, and the conversation is ongoing."

NATO military planners have informally sketched out three general options, ranging from a force of about 50,000 troops to as many as 150,000, depending on how much fighting continues after a settlement between the Bosni-

Clinton Moves to Soften Pain of Military Cutbacks

The Associated Press

BALTIMORE — Saying America must turn swords into plowshares, President Bill Clinton on Thursday proposed spending \$20 billion over five years to ease the pain of Pentagon cutbacks on defense workers, communities and former members of the military.

"Defense conversion will require us to literally reimagine and reinvent the way government works," Mr. Clinton said.

"I don't pretend that this will be easy, and all of it will take some time," he said, "but the choice we face is between bold action to build a stronger and safer and smarter America or continuing to cut defense with no appropriate response or with one that is too localized and too limited."

He announced his program at a Baltimore plant that is shifting its focus from defense projects to civilian programs.

"The world's finest makers of swords can and will be the world's finest makers of plowshares," the president said. "And they will lead America into a new century of strength, growth and opportunity."

Gene Sperling, deputy assistant to the president for economic policy, said that \$1.7 billion would be spent in the fiscal year that ends Sept. 30, including \$1.4 billion that Congress appropriated last year for military conversion but

that was not spent by the Bush administration. The Clinton administration will redirect \$300 million more from other projects to bolster defense conversion this year, Mr. Sperling said.

By 1997, the United States will be spending \$5.2 billion a year on military conversion. Total spending between 1993 and 1997 will be \$20 billion, he said.

"All of these things," Mr. Sperling said, "minimize the amount of dislocation and minimize the number of people who lose their jobs." He said 2 million people would lose jobs because of defense cutbacks.

Greg Bischak, executive director of the National Commission for Economic Conversion and Disarmament, said the private research group applauded Mr. Clinton for taking a more active role in military conversion than former President George Bush.

But Mr. Bischak said that most of the 1993 program was "likely to be ineffectual at best" because it put too little emphasis on advance planning by defense companies seeking to enter civilian-product markets.

Representative Floyd D. Spence of South Carolina, the ranking Republican on the House Armed Services Committee, said, "It's going to be a long, long time, but it's not going to be a long, long time, I've been working to get to Total."

See CLINTON, Page 5



PEACE TALKS — Slobodan Milosevic, the Serbian president, being escorted inside the Elysee Palace after his arrival Thursday in Paris for talks with President François Mitterrand; the UN mediator, Cyrus R. Vance, and the EC mediator, Lord Owen. Page 5.

Reno Confirmed as Attorney General

WASHINGTON (AP) — The Senate confirmed Janet Reno on Thursday as the first female attorney general. The vote was 98 to 0.

The lopsided vote was in contrast to the difficulty President Bill Clinton's earlier selections encountered. One withdrew after

acknowledging she had hired illegal aliens as domestic help. Another withdrew before being appointed in a related controversy.

She would submit that President Clinton, albeit not the first time at bat, has hit a home run," said Senator Joseph R. Biden, Democrat of Delaware.

Business/Finance

Glaxo's chief executive has resigned from the global drug giant. Page 12. The U.S. is drafting a trade policy for dealing with Asia. Page 13. Wall Street firms seek Chinese riches via Hong Kong. Page 17.

Delight and Despair: Making the Grade at Tokyo U.

By T. R. Reid

TOKYO — Having devoted nearly a third of her young life to the rigors of "examination hell," Mayuko Toyoda has now ascended to heaven.

The Tokyo University gates were opened just before noon Wednesday, and Toyoda, in her dark blue military-style high school uniform, went racing across campus to the long wall where the names were posted — the names of the 3,224 students who had passed the battery of exams for admission to Japan's most prestigious college, thereby attaining elite status for life in this intensely hierarchical nation.

Other applicants ran faster than Toyoda, and by the time she got to the wall a boisterous pageant of triumph and tragedy had already begun. Clouds of confetti and joyful shouts of "Banzai!" filled the air. Cheerleading squads waved school flags and sang fight songs in honor of successful classmates. Proud youths received hugs from even prouder mothers. A weeping father pulled out his cellular phone to inform relatives that his daughter had not made the list.

Mayuko Toyoda also burst into tears — but in her case, they were tears of joy.

"Toyoda-san, YOU MADE IT!" squealed a group of friends in school uniforms who came along to share the moment. Japan, a crowded island nation with no energy supplies and few minerals, has built its postwar economic miracle on a single resource: its people. For that reason, education is viewed as a crucial national enterprise, and diligent young people such as Toyoda — who spent all of her high school vacations in a

Japan's graduates face a shrinking job market. Page 5.

Kiosk

General News

What led FBI to latest bomb suspect. Page 3. A policeman was shot to death in Egypt, apparently in retaliation, by Islamic extremists. Page 2.

China, at the last minute, proposed talks on Hong Kong's future. Page 2.

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PARIS RANGOON RIYADH SINGAPORE TOKYO

Islamic Extremists Retaliate in Egypt

After Authorities Kill 20, Police Targeted in 2 Attacks

Compiled by Our Staff From Dispatches
CAIRO — Suspected Muslim extremists retaliated for the killing of 20 people in a police crackdown by fatally shooting a traffic policeman and burning a firebomb at a police patrol, an official said Thursday.

The attacks followed one of the bloodiest confrontations between Islamic fundamentalists and security officers in more than a decade. Fourteen extremists, a militant's wife, her baby, and four policemen were killed in a series of gun battles that began Tuesday night and ended Wednesday. More than 40 people were wounded, most in an attack on a mosque in Aswan, 1,000 kilometers (600 miles) south of Cairo.

It was the highest casualty toll since 1981, when Islamic fundamentalists killed President Anwar Sadat as part of an attempted coup.

On Thursday, suspected militants shot and killed a traffic policeman and wounded another in Sohag, south of Cairo, a police official said.

Security forces detained some 50 people for questioning, while 100 fundamentalists were rounded up in other parts of Egypt.

Also Thursday, suspected extremists threw a firebomb at a police patrol car in Aswan, but missed. One suspect was arrested, said the police official, who spoke on condition of anonymity.

At the funeral for the four slain policemen, a senior Egyptian security official pledged that the campaign against Muslim militants would continue.

"The death of some of our men will not divert us from attacking the extremists until they are totally



REFUGEE FLOW — Refugees, mainly from Romania, waiting Thursday to be processed at a center near Rostock, Germany.

Polish Abortion Law Stirs Anger, but Too Little

By John Darnton
New York Times Service
WARSAW — The crowd in the auditorium of what used to be the Soviet-Polish friendship center listened respectfully as a member of parliament, Barbara Labuda, denounced the new law limiting access to abortion.

Three weeks ago, three gynecologists found their cars smeared with red paint. "We're so intimidated," one said. "When I go to a party I don't admit what I do for a living. We're called Hitlerites, Nazis. Our doors are painted red with the slogan, 'Here lives a murderer.'"

The law permits abortions in cases in which the pregnancy threatens the life or "seriously threatens" the health of the mother, in which there is "serious and irreversible malformation of the fetus," or in which the pregnancy results from "criminal action," such as rape or incest.

Some nodded knowingly. All they had to do was to look around — the gathering had drawn a small band of several hundred writers, intellectuals and feminists — to realize that the abortion-rights banner was not attracting thousands of grass-roots protesters.

Sometime over the next week or two, the government gazette will publish the latest laws approved by the Sejm, or parliament. Two weeks later Poland, which permitted abortion liberally under communism starting in 1956, will have the most restrictive law on abortion of any country in Eastern Europe.

Lawmakers approved the measure in January after heavy lobbying by the Roman Catholic Church and in a climate of such emotion and intimidation that virtually all

women into what one doctor described as a "Catch-22 situation." They have the nominal right to abort if the fetus is malformed, but they cannot routinely test for malformation.

Opponents of the new law charge that it will push abortion underground, and that affluent women will travel to Ukraine or to the Czech Republic to undergo the procedure — some are already doing so — and poor women will turn to back-alley doctors or use dangerous techniques for self-induced abortions.

"Certainly there will be many tragedies and many women will suffer — not just women who want abortions, but women who should have them," said Wanda Nowicka of the Federation of Women and Planned Parenthood. She said there would be an increase in large and overburdened families, in deaths of pregnant women and in children born with deformities.

Elsewhere in Eastern Europe, laws on abortion vary.

In Romania, where it had been outlawed by the Communist government in 1986, abortion was made legal after the 1989 revolution.

In the Czech Republic, where it is legal up to the 12th week of pregnancy, a new fee was added in January to make it more difficult to afford.

In Hungary, requirements have been expanded to include mandatory counseling, a three-day waiting period and statements from more than one doctor.

Difficulties in obtaining an abortion in Poland have sharply increased over the last two years. In 1991, Health Department regulations for state hospitals were tightened to require permission from several doctors, and in May 1992 doctors adopted an ethics code that said physicians should not perform the procedure. Now virtually all state hospitals have stopped performing abortions.

Peace-Talk Suggestions From Syria And Egypt

CAIRO — Syria and Egypt worked out new ideas on Thursday to try to solve a crisis with Israel over its expulsion of 415 Palestinians and resume Middle East peace talks on schedule on April 20, Syria's foreign minister said.

"Syria and Egypt have specific suggestions to create a solution for the return of all the deportees and stop deportations in future," Farouk Shara said after meeting President Hosni Mubarak of Egypt.

He gave no details. But an Arab diplomat said Syria and Egypt had been discussing variations on a set of assurances from the United States and Israel that could persuade the Palestinians to attend the talks without loss of dignity.

China, at Last Minute, Proposes New Talks on Hong Kong's Future

Compiled by Our Staff From Dispatches
HONG KONG — China put forward a last-minute proposal for talks about Hong Kong's political future on Thursday, just before Governor Chris Patten had been expected to formally introduce his democracy bill that China opposes.

Mr. Patten postponed a long-scheduled announcement to the colony's Legislative Council on less than an hour's notice after China submitted its proposal to the British Embassy in Beijing, the government said.

Hong Kong officials had made little secret of the fact that Mr. Patten planned to tell legislators that his bill would appear in Friday's official gazette unless China agreed to negotiate on elections in 1995.

A Mass Murder in Cambodia

Gunmen Kill 33 Vietnamese Near Angkor

By Henry Kamm
New York Times Service
PHNOM PENH, Cambodia — At least 33 Vietnamese fishermen, wives and children were killed by unidentified gunmen in a floating village on Tonle Sap Lake, south of the monuments of Angkor in western Cambodia, the United Nations Transitional Authority announced Thursday. Twenty-six other people were wounded.

Khmer Rouge forces operate in the area, and the villagers, who live on houseboats or shacks on stilts, have in the past expressed fear of such attacks.

The United Nations said that one of the attackers was killed by a local woman, and that three Cambodians were wounded.

The mass murder is the fifth and biggest event of its kind recorded since July. In the earlier slayings, 35 Vietnamese were killed; eight others have been missing since November and are presumed dead.

The spate of killings, intense propaganda against Vietnamese residents by many of the 20 political parties running in the UN-organized elections in May and the ready reception these views find in the population have driven fear into the Vietnamese minority.

In this atmosphere, memories have been revived of the program organized in 1970 by the government of Lon Nol, then prime minister, shortly after it overthrew Prince Norodom Sihanouk. Hundreds, perhaps thousands, of Vietnamese were killed by the military and the police, and most of the minority, estimated at 500,000, were put in concentration camps, from which many were taken to South Vietnam.

In contrast to them, the Vietnamese-installed government of Prime Minister Hun Sen, which controls most of the territory and population, refrains from expressing anti-Vietnamese views. But many of its followers hold them.

"It is a vast, explosive issue fanned by all factions," said Dennis McNamara, head of the human rights branch of the UN Transitional Authority. Under the 1991 peace agreement that ended a 12-year civil war, the authority is a virtual government preparing Cambodia for elections in May.

The number of Vietnamese — Cambodian citizens or unauthorized migrants — is at the heart of the tension. The Khmer Rouge, who are boycotting the voting, assert that they number more than 2 million, and that 1.5 million have obtained citizenship under the Hun Sen government and registered to vote.

Leaders of the Palestinian negotiating team and officials of the Palestine Liberation Organization have made it clear in the last two days that an Israeli promise to halt deportations is their main condition for resuming the talks.

Diplomats say they have dropped their earlier insistence that all the men deported by Israel in December should be returned before the talks.

Farouk Kadoumi, the PLO's head of foreign affairs, said in Damascus that Arab states might go to one or two rounds of peace talks without the Palestinians.

News that the session had been postponed sent the Hang Seng stock-exchange index up 50 points in less than five minutes to recover some of the day's earlier losses. The market had been down more than 170 points on expectations that Mr. Patten would press ahead with his proposals.

Mr. Patten's spokesman, Kerry McGlynn, refused to say whether the bill, which would allow Hong Kong people to elect the majority of their legislators for the first time ever in 1995, would go ahead after four delays in as many weeks.

Mr. McGlynn said the Executive Council, Hong Kong's colonial cabinet, was holding a special session to consider the message.

Former Prime Minister Son Sann, leader of the Buddhist Liberal Democratic Party, contends that there are 1.5 million Vietnamese. The government cites numbers ranging from 120,000 to 500,000.

The radical Communists of the Khmer Rouge and the Son Sann conservatives agree on one issue: They maintain that the Phnom Penh government remains under Hanoi's control despite the departure of the Vietnamese Army in 1989 and conspires with Vietnam to infiltrate Cambodia with networks of military, police officers and secret agents for an eventual takeover.

The policies of both groups, despite the political gulf between them, are rooted in deep-seated ethnic and racial antagonism and an expressed fear that Vietnam seeks to exterminate the Cambodian nation.

"We are afraid of being invaded by the Vietnamese ants," Mr. Son Sann said. "They are 70 million, we are 7 million."

More than a million Cambodians died during the four-year rule of the Khmer Rouge, led by Pol Pot, in the 1970s. Although France

Sihanouk has often conceded that it was Vietnam that freed Cambodia from Pol Pot, while criticizing the subsequent Vietnamese occupation, he has neither participated in the ethnic campaign nor raised his influential voice against it. But the party closest to him, led by his son, Prince Norodom Ranariddh, speaks the anti-Vietnamese language of the others.

■ **Khmer Rouge Blamed**
Vietnam blamed the Khmer Rouge for the latest massacre of ethnic Vietnamese in Cambodia, Reuters reported from Hanoi.

The Foreign Ministry said, "If resolute measures are not taken to stop the killings, there will be a threat of resumption of mass massacres in Cambodia with unpredictable consequences."

But a diplomat involved in the talks in Cairo said the entire focus of Mr. Shara's visit had been on developing the package of six points that U.S. Secretary of State Warren M. Christopher discussed with Arabs and Israelis last month.

He gave no details, but Arab diplomats said a clear promise of no further deportations was one of four assurances being sought from Israel.

The others are a promise to speed up the return of the deportees, agreement to allow the return of a sizable number of other Palestinians expelled since Israel occupied the West Bank and Gaza in 1967, and a set of measures to ease restrictions on Palestinians living under occupation.

Until now, the sticking point has apparently been Hong Kong's role in any negotiations.

China wants to bar Hong Kong citizens from the talks. China also insists that the 60-member Legislative Council is merely a consultative body and has no legal authority to ratify, accept or modify agreements made by London and Beijing.

But British officials have insisted that Hong Kong officials sit in on the talks and that local legislators have the final word on any Chinese-British deal.

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Paris — Belgium has agreed in principle to supply a division of the European army corps formed by Germany and France last year, French Defense Ministry officials said Thursday.

The officials said that Belgium, which would be the first country to join in the French-German Eurocorps, would probably supply a mechanized armored division of 10,000 to 15,000 men.

The Belgian Foreign Ministry would not confirm the report but said, "The matter is under consideration." The Defense Ministry in Brussels said the talks were not likely to lead to a decision soon.

Belgium Set to Join Eurocorps

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Foreign aid has focused on ending a famine that UN officials estimate killed roughly a quarter of the country's children in 1992. But now, with troops escorting food convoys to hundreds of feeding centers, most people who need food have it.

The new package would be provided by governments and aid groups and would flow between now and December.

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Foreign aid has focused on ending a famine that UN officials estimate killed roughly a quarter of the country's children in 1992. But now, with troops escorting food convoys to hundreds of feeding centers, most people who need food have it.

The new package would be provided by governments and aid groups and would flow between now and December.

The UN undersecretary-general, Jan Eliasson, in a statement issued in New York, called the plan "an important framework not only for relief assistance but to put Somalia back on track to recovery."

Centrists Edge Out Gaullists in Poll

PARIS (Reuters) — An opinion poll published Thursday put the center-right Union for French Democracy slightly ahead of the Gaullist Rally for the Republic in the run-up to the French general elections on March 21 and 28.

The outcome of the contest between the two mainstream conservative parties may determine who President François Mitterrand chooses for prime minister. The IFOP poll, for the first time, showed the Union for French Democracy ahead of its conservative rival with 20 percent compared with 19.5 percent for the Rally for the Republic.

The poll forecast that the opposition alliance of the two conservative parties and other rightist candidates would win 42 percent of the popular vote, the governing Socialist Party 22 percent, the joint ecologist list 14.5 percent, the extreme-right National Front 10.5 percent and the Communist Party 9.5 percent.

Iraqis Rebuild Plant, UN Aide Says

MANAMA, Bahrain (Reuters) — The Iraqi engineering plant destroyed by U.S. cruise missiles less than two months ago has been rebuilt and is due to reopen soon, a United Nations inspector said Thursday.

About 40 Tomahawk missiles launched from U.S. ships in the Gulf and the Red Sea hit the plant, at Zaafaraniya, outside Baghdad, on Jan. 17. Washington said the plant was part of Iraq's nuclear weapons program.

A UN inspector, Dimitri Pericos, fresh from a visit to Iraq, said the Iraqis had moved most of the sophisticated machine tools out of the buildings before the attack and that they were now installed in a new plant. He said that before the Gulf War the factory had been part of Iraq's electromagnetic isotope separation program, used to produce highly enriched uranium for bombs. The plant had been converted to civilian use after the war, but UN experts said the equipment could quickly be put to use in a nuclear program again.

Early Alzheimer's Risk for Women

LONDON (Reuters) — Women are more likely than men to succumb to the incurable brain disorder Alzheimer's disease in middle age, according to British research published Friday.

The study in the British Medical Journal, was carried out in Scotland between 1974 and 1988. It looked at patients aged 40-64 being treated for all forms of dementia. It found that the incidence of Alzheimer's in women was 52 cases per 100,000 against 28 cases for men.

"Our results suggest that female sex is a risk factor in presenile Alzheimer's disease," the researchers concluded. "The pressing question is, what is it about being female that increases the risk of this condition?"

Japan Sorry About 'Comfort Women'

TOKYO (Reuters) — Prime Minister Kiichi Miyazawa apologized to the Philippines on Thursday for the wartime recruitment of Filipino "comfort women" as battlefield prostitutes.

Mr. Miyazawa, during a visit from President Fidel Ramos, also promised a 7.2 billion yen (\$600 million) loan package for infrastructure projects in the Philippines.

"I would like to offer my apologies and tell you that I have reflected deeply on the problem of the comfort women," Mr. Miyazawa was quoted as saying by a Japanese official. He added, without giving details, "We are also considering some means of showing our regret."

Seoul Will Ease Travel Ban to North

SEOUL (AP) — The government said Thursday that it would lift a ban on business travel to the North and repatriate a northern spy to ease tensions with North Korea.

Meanwhile, North Korea accused U.S. troops of firing volleys of machine-gun bullets to heighten tension on the armed Korean border during joint U.S.-South Korean war exercises. U.S. officials said any North Korean charges would be investigated.

South Korea's plan to allow business contacts with the isolated Communist North does not mean approval of economic cooperation and investment. That will be banned until suspicions about North Korean nuclear weapons development are resolved, officials said.

For the Record

Ruth Dreifuss, the woman elected to the Swiss cabinet amid controversy over alleged sexism, became interior minister in a reshuffle on Thursday, the cabinet office announced. She replaced Flavio Cotti, who moved to the Foreign Ministry. (Reuters)

Correction
Because of a production error at the Frankfurt printing plant, the continuations of several Page 1 articles were missing from some editions of Thursday's IHT. We regret the inconvenience.

TRAVEL UPDATE

A strike by Paris Metro drivers protesting new working conditions had only a limited impact Thursday morning, officials said. The strike from 5 A.M. to 7 A.M. seriously disrupted four of the 13 Metro lines but traffic ran at 80 percent of normal on the others. Commuters faced disruption on their way home because another strike notice came into effect from 5 P.M. (Reuters)

More than 600 French potato farmers blocked northwestern highways on Thursday with tractors and nearly 6,000 tons of potatoes. The farmers, angered at what they called the government's inaction to compensate for losses in agricultural revenues, cut off major roads between Rennes and Brest. Other farmers placed barriers on major roads and railroad lines in the southwestern region of Les Landes. (AP)

French Mayor Puts Brakes On Out-of-Control Skiers

GRENOBLE, France — The mayor of Val d'Isère, one of France's top Alpine resorts, acted Thursday to force runaway skiers off the slopes following a string of deaths on French mountains involving ski collisions.

André Desoxy, mayor of the village that hosted the Olympic men's downhill race last year, authorized instructors and ski patrol members to strip reckless skiers of their lift passes.

Offenders may reclaim their passes only after stopping at the ski safety office to pick up a pamphlet on skiing rules.

Three skiers have been killed in collisions in the Savoie region of France this season. Last Sunday, a 7-year-old girl vacationing at Val Thorens died after a young man on a snowboard crashed into her.

Marielle Goitschel, Olympic gold medal winner in 1964 and 1968, said earlier that the Val Thorens skier was moving at up to 80 kilometers (50 miles) per hour and was out of control.

She asked all former members of the French ski team to help her to push through legislation to discourage reckless skiing.

In French ski areas, unlike those in many other countries, ski station authorities have little power to enforce safe skiing.

C. Northcote Parkinson, Author of Work Law, Dies

By Richard W. Stevenson
New York Times Service
LONDON — C. Northcote Parkinson, 83, the British historian and writer who propounded the notion that "work expands so as to fill the time available for its completion," died on Tuesday at a clinic near his home in Canterbury, England. The cause of death was not announced.

Mr. Parkinson first put forth his famous dictum in an article for The Economist magazine in 1955. The article brought him considerable attention, and in 1958, he published an expanded version in book form under the title "Parkinson's Law." The book, which also expanded on the corollary that work expands to occupy the people available for its completion, became a best-seller in the United States and Britain.

Mr. Parkinson said the theory had its roots in his experience during World War II, when he worked in training and administration for Britain's War Office and the Royal Air Force.

"I observed, somewhat to my surprise, that work which could be done by one man in peacetime, was being given to about six in wartime," he told The Times of London. "I think this was mainly because there wasn't the same opportunity for other people to criticize. You could always riposte: 'Don't you know there's a war on?'"

His work was a mixture of serious economic analysis and satire. He argued that administrators and executives tend to make work for each other, and that because executives prefer to have subordinates rather than rivals within an organization, they create and perpetuate bureaucracies in which power is defined in terms of the number of subordinates.

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Milosevic Pressed to Aid Peace

He and Mediators Hold Paris Talks

By Alan Riding
New York Times Service

PARIS — United Nations and European Community mediators on Thursday urged the Serbian president, Slobodan Milosevic, to help persuade his Bosnian Serb allies to accept a peace plan for Bosnia-Herzegovina, but there was no sign that he was willing to do so.

Emerging from a 90-minute meeting held by President François Mitterrand of France in the Elysée Palace, Mr. Milosevic said that "we cannot say whether the peace accord should be adopted in its present form." He said this was up to the three Bosnian communities to decide.

Instead, the Serbian leader called for an end to international sanctions against Serbia and Montenegro and proposed an immediate unconditional cease-fire in Bosnia-Herzegovina. "I'm sure the Serbs will accept the cease-fire and stop the killing in Bosnia," he added.

After the talks, which resumed over dinner, the United Nations envoy, Cyrus R. Vance, and the EC mediator, Lord Owen, said that Mr. Milosevic had insisted that he had "only limited influence" over the Bosnian Serbs and their leader, Radovan Karadzic.

"We said, you have substantial influence and the world holds you in part responsible for what is happening in Bosnia and Herzegovina," Lord Owen said at a news conference. "You may think it unfair, we told him, but that's the way the world sees it."

Asked whether Mr. Milosevic would try to influence Mr. Karadzic, Mr. Vance said: "It's too early to say. I don't want to speculate."

Responding to the same question, Lord Owen added: "I can't tell, but I would be very surprised if he did not think very hard about what we discussed today."

The two mediators said they had not specifically threatened new sanctions against Serbia if Bosnian Serbs alone rejected the peace plan, but Lord Owen recalled that Mr. Mitterrand had warned Mr. Milosevic that "the world will take action, that is the demand of the world."

The mediation effort is focused on trying to persuade both Bosnian Serbs and Bosnian Muslims to accept a map that divides Bosnia-Herzegovina into 10 semi-autonomous provinces but retains the notion of a single state with a relatively weak central government.

The Bosnian Muslim president, Alija Izetbegovic, who was due to resume negotiations in New York this weekend, has postponed his trip until early next week, reportedly because of local opposition to the map. Bosnian Muslim officials have said he will raise new questions with the mediators.

The Bosnian Serb leader, in contrast, has rejected the map. "The maps, the final stumbling block to peace, are acceptable neither to the Serbs nor the Muslims," Mr. Karadzic said in a letter to the London Daily Telegraph on Thursday. "We should recognize that fact and not believe that assent can be imposed."

Mr. Vance, however, reiterated Thursday that Mr. Karadzic's idea for a new map was not acceptable. "He is stuck flat on a proposal that just simply does not make sense, so we've had to turn it down."

Lord Owen also dismissed any suggestion of redrawing the map. "It's a simple thing," he said. "We've put a map on the table that two parties oppose. I make a simple calculation — there can't be that much wrong with it, but both sides want more territory, more land."

As currently drawn, the map, which has already been accepted by Bosnian Croats, would give Bosnian Serbs 43 percent of the republic's territory, down from the 70 percent that they now control as a result of armed attacks.

Mr. Vance and Lord Owen both noted that their representations on Thursday were given weight by the presence of President Mitterrand and by the fact that the French leader had discussed the crisis with President Bill Clinton in Washington on Tuesday.

Lord Owen, a former British foreign secretary, said he was particularly cheered that the Clinton administration was now giving its full backing to mediation efforts and was backing the idea of dispatching a major international peacekeeping force to the former Yugoslavia once the peace plan has been accepted.

The United States and France, though, appear to have differences over the command of such a force, which could number as many as 50,000 troops. While the United States favors using NATO, a French Foreign Ministry spokesman said Thursday that Mr. Mitterrand told Mr. Clinton this week that "France wants such a force placed under the United Nations."



SETBACK FOR ANGOLA REBELS — Government troops on Thursday outside a former rebel post in Cabal, once a stronghold for the forces of the guerrilla leader Jonas Savimbi.

FORCE: U.S. and France at Odds

Rebels Slip In Liberia, U.S. Says

(Continued from page 1)

representatives asserted that formal NATO planning for peacekeeping should be halted to avoid prejudging the issue of how the force is to be commanded, the U.S. officials said.

French officials in Brussels have argued that such an arrangement would make it difficult for Russia to participate in the peacekeeping effort and that the UN secretary-general, Boutros Boutros Ghali, would object to NATO command.

U.K. Troops Blocked

Angry Muslims took British troops hostage on Thursday as the soldiers escorted a UN mission to the besieged Muslim settlement of Konjevic Polje in eastern Bosnia. Reuters reported from Banja Koviljica, Serbia.

Jan Erik Linstad of the UN High Commissioner for Refugees said on his return from the settlement that between 2,000 and 6,000 villagers surrounded two British UN armored vehicles and refused to let them leave.

Mr. Linstad quoted Major Alan Abraham, the commander of the escort, as saying the situation was extremely critical.

A spokesman for the British UN contingent in Bosnia, Major Martin Waters, said villagers had surrounded the two armored vehicles with burning piles of hay to prevent their escape. He said the British UN base at Vitez, central Bosnia, had lost contact with Major Abraham.

The convoy had gone to Konjevic Polje to evacuate 75 wounded, most of them men, but Bosnian Serbs had said the mission could bring out only women and children.

Lyndall Spinks, the high commissioner's spokeswoman in Belgrade, said the crowd told officials with the convoy: "If you don't take all the wounded, you don't take any."

U.S. officials say that a NATO command would be the most effective and that it also would keep the operation under the command of a U.S. general.

But France opposes placing the peacekeeping force under NATO command, saying that the peacekeepers should be under direct UN command, in effect enlarging the UN force in Bosnia.

At the Brussels meeting, French

CLINTON: Easing Pain of Cuts

(Continued from page 1)

it." Mr. Sporting said the administration plan included \$375 million this fiscal year and \$4 billion in five years for retraining workers, as well as an \$80 million revolving loan program for communities hit by plant closings and funds to reward defense contractors that integrate projects with civilian uses.

Parts of the package were announced last month on a trip to California, but Mr. Clinton formally unveiled it Thursday at a Westinghouse Electric Corp. plant in Baltimore.

The Westinghouse plant was chosen because the company is shifting its emphasis from military contracts to civilian programs, said the White House spokesman, George Stephanopoulos. The plant recently laid off 4,500 workers.

Westinghouse has targeted six industries for future expansion, three each in military and nonmilitary areas. The civilian projects will focus on transportation, information and security — areas the company hopes can be handled easily by a military contractor.

A cornerstone of the new administration's short-term approach to

technology creating civilian uses for military projects. It is intended to preserve the middle tier of the military industry — those companies not among the producers of large weapons systems.

The intent is to give the medium-size and smaller companies the flexibility to move more readily between military and commercial work.

The package also pays for worker retraining and early retirement incentives for tens of thousands of members of the military services and civilian Pentagon workers.

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Fading Hopes for Japan's College Grads

By Paul Blustein
Washington Post Service

TOKYO — Economic fates are playing a cruel trick on 22-year-old Takeshi Nakashiba and thousands of other Japanese college seniors starting their final year next month.

The recession in Japan is turning this year's job market for graduating students into one of the worst in modern memory, with many of the nation's corporate giants planning severe cutbacks in recruitment.

As a result, students like Mr. Nakashiba, who once thought that gaining admission to a good college would virtually ensure a lifetime job at a prestigious company, are facing considerably bleaker prospects than they had expected.

"This has hit me right between the eyes," Mr. Nakashiba said as he flipped through the brochures of some of the food and medical-equipment firms that he dreams of joining. "I realize I won't be able to be too choosy."

Particularly sobering, he said, was a spate of recent stories about how financially troubled companies were canceling agreements to hire students from the class a year ahead of him.

"That really showed me how bad things are," he said.

Final decisions about jobs by both companies and seniors are not officially allowed until July 1, but already the situation is shaping up as unusually grim. Hardly a day goes by without a major firm announcing a job-reduction program involving cuts in recruitment because Japanese industry is struggling to slash payroll costs without violating its commitment to keep full-time workers employed.

On Tuesday, for example, Fujitsu Ltd., a computer giant hit hard by the slump, said that this summer it would hire only 300 students — all of them engineers. For the fiscal year starting April 1, Fujitsu had hired 2,200 people, about evenly divided between college graduates and clerical workers from high schools and junior colleges. Fujitsu will hire no clerical workers this summer. Only two years ago, when the economy was booming, the company hired 4,000 people.

Although Fujitsu is an extreme case — many other big companies have announced hiring reductions of 20 percent to 40 percent from their peak recruiting years — it is by no means unique. Japan's securities firms, devastated by the recent plunge in the Tokyo stock market, are planning especially deep hiring cuts. Nikko Securities Co. said it would reduce hiring to 100 people this year, down from a peak of 551 in 1988. A couple of midsize brokerage houses are eliminating recruitment altogether for the time being.

Small wonder, then, that Mr. Nakashiba and his fellow seniors are bemoaning their reduced chances of landing a job at a big company with a famous name like Mitsubishi, Mitsui, Toyota or Toshiba — an important matter in a country where the size of one's company often determines one's social status.

"I kept hearing that the economy would recover this year, but it's not happening," lamented Mr. Nakashiba's friend, Hideaki Fukuda. "So job hunting is looking very difficult."

As recently as two years ago, before the collapse of Japan's "bubble" in stock and land prices, companies thought a serious labor shortage was looming, and students at good universities were wooed as if they were sports stars. Corporate recruiters, anxious to attract the best graduates, lavishly wined and dined prospective hires.

But the seller's market turned into a buyer's market last year as companies began to recognize that they had overstaffed with white-collar employees.

G-7: Nations Back Idea of Emergency Meeting to Consider Aid for Yeltsin

(Continued from page 1)

Deputies still dominated by figures from the Soviet past, are scrambling to line up behind the beleaguered Russian president.

"The G-7 really has no choice but to back Yeltsin, who is after all the only democratically elected official in Russia," said Ron Freeman, first vice president at the European Bank for Reconstruction and Development in London. "There are any number of specific measures the G-7 can undertake right now to provide a sense of hope and progress, primarily by supporting renewed trade and the delivery of humanitarian supplies from Eastern and Central Europe to Russia and the CIS. Just do it."

In Tokyo, Japanese officials said that the Russian government had accepted the invitation for Mr. Fyodorov to attend some of the Hong Kong planning meetings. They are expected to run from Friday evening through Sunday.

Mr. Fyodorov, in Moscow, said at a news conference that he would participate in the Hong Kong meeting and that he had already written to G-7 officials describing the main directions of possible help to Russia in the current year.

"These are first of all debt repayment, and also social help to enterprises once monetary policy tightens, support to small business and

RUSSIA: Yeltsin Humiliated by Vote of Parliament

(Continued from page 1)

to dismiss Mr. Yeltsin, did not vote on the matter.

After the session, Mr. Khasbulatov and Mr. Yeltsin revised the draft resolution, incorporating minor proposals by Mr. Yeltsin. But the revision offered little joy to Mr. Yeltsin and is not guaranteed final approval on Friday.

Mr. Yeltsin's proposals would bring the heads of the central bank and state property agency into the cabinet — though the bank chairman already sits in on government meetings.

It would also oblige parliament to "take into account" government wishes on state budget spending.

The compromise, however, left the two officials firmly under parliamentary control, falling well short of Prime Minister Viktor S. Chernomyrdin's demand that both answer to the government. The bank is critical to averting hyperinflation.

Mr. Yeltsin told deputies in his speech that he would discuss any deal "in whatever legal form." But a top aide hinted Mr. Yeltsin was ready for radical action if he was thwarted.

A deadlock between Mr. Yeltsin and the legislature, which views the president's economic policies as disastrous for Russia, has raised fears in the West he could be removed. President Bill Clinton has said he would do what he could to help Mr. Yeltsin.

Mr. Yeltsin's spokesman tried to put the best face on the developments, emphasizing the change in control of the bank.

"If the Congress approves the agreed statement, then we will have a substantially strengthened government, which will be able to conduct a precise, strong and sober financial policy," said the spokesman, Vyacheslav Kosenkov. "And in this sense, we can say that the president's goal has been achieved."

Public opinion polls have indicated that Mr. Yeltsin is more popular than the legislature and might prevail in a referendum. But many regional officials, some fearing for their jobs, say such a vote could divide the nation.

The measure approved Thursday also would reinstate a constitutional amendment — suspended in the December agreement — that would strip Mr. Yeltsin of his power to rule by decree.

(Reuters, AP)

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Alerting the Electorate of Every Nation

Vote for the Natural Law Party

For Successful Government

Don't Follow the British Example

The British media alerted the British electorate last March that the choice between the main parties was the choice between "two evils." The British people admired the new political party—the Natural Law Party—during the election campaign, but the majority voted for the old parties and re-elected a Conservative government. Within three months of the new government taking office, problems continued to rise.

The Natural Law Party alerts the electorate of every country not to follow the British example, and not to vote for the parties that they know have not succeeded in the past, but bring a new sunshine to the nation. Vote for a new party—vote for the Natural Law Party to form a perfect government through the support of Natural Law.

The Natural Law Party offers scientifically based programmes to improve all fields of national life. These programmes are substantiated by hundreds of scientific research studies, published in leading journals from around the world.

'A Group for a Government'
A Group of Yogic Flyers
A Group of Vedic Scientists

The Natural Law Party will create a group of 10,000 Yogic Flyers—or Vedic Scientists—in order to create coherence in national consciousness, and will engage the greatest experts in each area of governmental activity—health; education; business and industry; law, justice and rehabilitation; defence; and administration—to handle the administrative responsibility of each ministry.

In this way, the Natural Law Party will give to the nation a perfect government—fully supported by Natural Law, and this will take away the deficiencies of party government.

Abundant scientific research shows that this group of Yogic Flyers, who would be regularly practising together Maharishi's Transcendental Meditation and TM-Sidhi programme—Yogic Flying—will generate and maintain a strong influence of integration, harmony, and positivity in the nation, will decrease and eliminate crime, unrest, and all forms of negativity in society, and will promote life according to Natural Law in the nation.

Through the support of Natural Law—created for the nation by such a group—all areas of life in the nation will be nourished, bringing fulfilment to the whole population.

Everyone is aware what has been achieved by party governments in the past—chaos, confusion, and problems. Don't vote for the failure that you already know.

Every voter in every European country should know that it is very easy to create a perfect government and an ideal society in any European country through the programmes promoted by the Natural Law Party. Everything is possible through the support of Natural Law.

'Don't vote for those whom you know have failed to produce a successful government. Vote for a new party and promote a successful government based on scientific principles and scientific validation.'

'Remember—don't follow the British example—vote for a government that will create success in the nation—vote for a Natural Law Party government.'

'If you favour Natural Law—Natural Law will favour you.' —Dr Reinhard Borowitz, Secretary-General Maharishi European Council of Natural Law Parties

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Berlin Woman Injured By Grenade Explosion

BERLIN — A grenade was lobbed at a Mercedes automobile in the center of Berlin on Thursday, wounding a woman and damaging eight vehicles, the police said.

Mercedes-Benz is a co-sponsor of Berlin's Olympics 2000 candidacy, and opponents of Berlin's bid have in the past damaged several Mercedes cars in the city.

INTERNATIONAL Herald Tribune

Republicans Get Specific

Republican critics of President Bill Clinton's budget have taken a polemical pasting in the past few weeks for not offering a specific alternative.

employees. Unwisely, they would cut back foreign aid to the neediest countries. And, adopting a hopelessly unpopular Reagan-Bush standby, they still want to kill off the Legal Services Administration.

Armenia and Congress

A textbook case of congressional mischief-making in foreign policy is unfolding in respect to the war between Armenia and Azerbaijan.

The distress suffered by Armenians in Nagorno-Karabakh has been extreme. So has that suffered by uprooted Azerbaijanis.

The Price of Health Care

Wide disparities in health care exist throughout the United States, and there is not necessarily any relationship between the amount of care and the quality.

In the Washington area, the hospitalization rate is just about the national average, and the average Medicare patient gets somewhat more than the average amount of treatment.

Other Comment

Germany in Trouble
Tempting though it may be to indulge in a bit of schadenfreude at the sight of an often smug neighbor in trouble, self-interest should make us worry about the German malaise.

velopment of the European Community and Central Europe.
Germany has for so long a time been the physician of Europe, prescribing remedies for others, that it has forgotten how to heal itself.



Clinton's World: Out of Sight, Not Out of Mind

NEW YORK — The big mystery is, where is President Bill Clinton on national security business? The answer is, keeping mostly out of sight, but very much involved and in charge.

By Leslie H. Gelb
A force in cabinet level discussions. He sits back, lets the debate unfold, then defines the issue, and later sets the terms of what is practical to do.

Principals Committee Mr. Lake runs about twice weekly. These meetings tend to be less free-wheeling than the deputies' and are designed to forge a consensus or narrow the choices for the president.

German Extremism: Try a Head-On Political Assault

INDIANAPOLIS — After the xenophobic Republican Party won a disturbing 8.3 percent of the vote in elections last weekend in the western German state of Hesse, mainstream parties can be expected to retreat to appeasement or misguided centrism.

By Gary L. Geipel
stream political parties must be prepared to manage that parliamentary scenario or, with luck, to prevent it.
Appasement is a proven failure.

Evidence on the contribution of foreigners is persuasive. In 1992, the Institute of German Business found that foreign workers generate 10 percent of the country's gross national product.

On Keeping Rostock an Unwalled City

NEW YORK — "Better the Americans than the West Germans." We heard this again and again when we asked whether we could help fight anti-foreigner prejudice among youngsters in Rostock, the East German city where youth-led violence erupted in August.

By Robert B. Goldman
stant, she feels, is her role as spokeswoman for the German-Israel Society.
For her and her friends, the society is a way to recall a past that school under the Communists neglected or distorted, and to identify with values they feel are important, such as the survival and security of the Jewish state.

stood it takes time to change attitudes — especially after years of being told to hate the outsiders who were communists' enemies.
They did not mind Americans, who have their own problems with discrimination and bigotry, sharing experiences. They do mind West Germans, especially West Germans, trying to "re-educate" them.

Fingering The Villains In the East

By William Safire
BUDAPEST — As a tourist enters the 700-year-old Matthias Church, she is jostled in the crowd. Moments later, she reaches into her pocket and cries, "My wallet is gone!"

The root cause of the weakness in newly freed nations is the terrible legacy of the 'old days.'

yearning for the old orderly repression. This is a habit of fastening the painful tyranny of the past in the uncomfortable freedom of the present.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1893: An Indian Banquet
CALCUTTA — The residents of Calcutta entertained Lord Roberts at a farewell banquet in the town hall last evening [March 11] previous to his departure for England.

1943: Battle for Kharkov
LONDON — [From our New York edition:] Outnumbered Russian troops killed 1,200 Germans and destroyed 36 tanks yesterday [March 11] in the violently unfolding third battle for Kharkov, but a Moscow communique spoke ominously of an unequal engagement and said: "The Germans are bringing up more fresh reserves."

1918: The Lorraine Front
AMERICAN FRONT — The American troops on Saturday [March 9] took part for the first time in operations to destroy enemy fence works.

INTERNATIONAL HERALD TRIBUNE
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John Vinocur, Executive Editor

Handwritten signature or note at the bottom of the page.

OPINION

A Cautionary Miller's Tale Can Still Instruct a Nation

By Erica Jong

NEW YORK — America's most loving critics have always known that their job was to prod us into social action. From Walt Whitman to Henry David Thoreau to Emma Goldman to Upton Sinclair, they have been our "tough love" specialists.

Chief among them was Henry Miller, who became a friend of mine. In 1940-41, while the country was on the brink of war, Miller, the returned expatriate, made a 25,000-mile (40,000 kilometer) trip through the United States in a 1932 Buick. In calling America "the air-conditioned nightmare," he might have been prefiguring Bill Clinton and Al Gore as they campaigned last fall.

Traveling with Abe Rattner, his artist friend, he saw "a vast jumble created by prehuman or subhuman monsters in a delirium of greed." He saw devastation brought by obsession with money at the expense of spirit

and the centered soul, saw depleted resources going unappreciated.

"Yes, America had changed," he wrote, "the lack of resilience, the feeling of hopelessness, the resignation, the skepticism, the defeatism."

In the 1940s, Henry Miller predicted the greed-driven crisis of the 1990s. He also saw the destruction of our environment and understood its cause: "The man with the gun, the man with murder in his heart, cannot possibly recognize Paradise even when he is shown it."

But most of all, he saw how hard it was to hold onto social ideals in the face of America's material craving. "The dreamer whose dreams are nonmaterial has no place in this world," he said.

They were fools and failures if they could not make greed work for them. Thoreau, Emerson, Whitman and Miller — they all believed that only by giving can one get. At the heart of American transcendentalism is the philosophy of the gift: The more you give away, the more you have.

Henry Miller's writing is imbued with that philosophy. He also lived his life by it, supporting other artists as friends had once supported him. Although he is known still as "the king of smut" — his phrase in a letter to one of his publishers during the Supreme Court litigation over "Tropic of Cancer" — he wanted most to be remembered by such meditative writing as "The Air-Conditioned Nightmare" and "The Colossus of Maroussi," a spiritual travel book about Greece.

He saw in America of the 1940s something of what we would see nearly a half century later, a country for which destruction of spirit and of nature had become the norm.

But underneath the carnage of racial strife, genocide and greed, he still could see the poet's dream of America, and he wanted to recover it. Like Walt Whitman, who became the "divine literatus" he prophesied, Henry Miller saw that it was not too late for America to return to the dream of an earthly paradise for all.

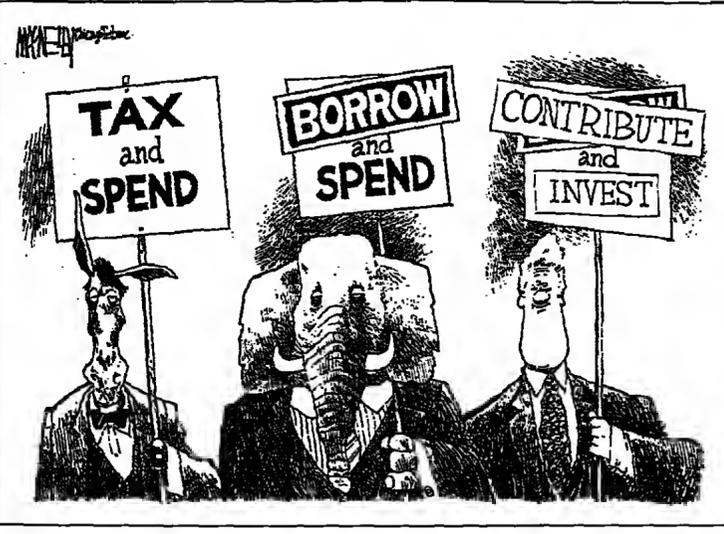
By the time I finished a memoir of my friendship with him, another administration had come to Washington. It seemed to understand the enduring optimism of America, optimism that can inspire the downrodden all over the world. This America is not made up of cars, factories and supermarkets. Rather, it produces poets like Maya Angelou and Henry Miller, dreamers with non-utilitarian dreams — out of which come the spiritual riches of the future.

If we could look at President Clinton's budget from the point of view of someone far away — in Vietnam, Africa, China, Croatia, Lebanon — dreaming of America, we would know immediately what to do. We would not starve our children, our teachers, our musicians, our poets. We would not treat them as moral lepers. "A com-fed hog enjoys a better life than a creative writer, painter or musician," Henry Miller wrote in "The Air-Conditioned Nightmare." "To be a rabbit is better still."

That nightmare is merely the flip side of the American dream. All we need is the will to change. As Mr. Clinton said, campaigning, "We can do better."

We can. But will we? A lot depends on the tenacity of our desire.

Ms. Jong's most recent book is "The Devil at Large," a memoir of her friendship with Henry Miller and a study of American attitudes toward sex and literature. She contributed this comment to The Washington Post.



LETTERS TO THE EDITOR

China's Progress

Regarding the report "China's Headlong Sprint Toward Wealth" (Feb. 15) by Nicholas D. Kristof:

Mr. Kristof appears overly upbeat on China's economic prospects. It would indeed be a miracle if China were to overtake the United States as the world's economic leader within a decade or so.

No one can deny that China has made great economic progress with a stunning 9 percent growth rate in the last decade. Per capita income has climbed to \$375, from \$130 in 1970. Universal primary education has been achieved. Exports have tripled since 1965 and the country posted a trade surplus of \$12 billion last year. China's creditworthiness is not in question and there is a throng of foreign investors at its door.

For all that, China remains one of the poorest countries in the world, with 100 million people living in absolute poverty and 300 million on the borderline of poverty. Its share of world trade is still only 1.7 percent, equal to that of Sweden, though it has 130 times the population. The state sector predominates. Infrastructure is underdeveloped.

Even so, China should be able to join the ranks of industrial nations within a decade, if it undertakes these steps:

• Faced with likely economic overheating, China should develop instruments such as interest rates and bank reserves to deal with the problem.

alized. Far more investment should go into developing infrastructure.

• Laws regulating rural-urban migration should be repealed. The rural poor should be assimilated to mainstream economic life and welfare benefits should be extended to them.

• M. VASUDEVAN, Cannes.

Not Peace but a Riot

Regarding "India at the Edge" (Editorial, Feb. 25):

The editorial says that "banning peaceful protests" will not help contain the Bharatiya Janata Party. Really? Do you realize what a peaceful rally of a million slogan-shouting people led by fundamentalists can turn into? Remember, the BJP promised a peaceful day when the Babri mosque in Ayodhya was destroyed in December.

MALA BERI, Amsterdam.

To Deter Mideast Militants

Regarding "Hoisting the Israeli Nuclear Arsenal Onto the Table" (Opinion, Feb. 4) by Seymour M. Hersh:

Mr. Hersh's worries about Israel's nuclear arms are misguided. Israel, like the United States in the Cold War era, maintains nuclear weapons as a deterrent to Arab aggression. An honest observer of the Middle East must acknowledge that militant states like Syria and Iran are the source of danger in the region.

The fact that Israel, a U.S. ally, has to arm itself against the threats of such states argues for greater vigilance

against the development of an "Islamic Bomb." While despotic regimes across the Middle East strive for the bomb, Mr. Hersh would deny to the region's only democracy — Israel — the means to deter aggression.

BEN ORLANSKI, Los Angeles.

Time Cannot Wither Her

I have followed the fortunes of Rex Morgan M.D. since I was a teenager and his assistant, June, was already 30. But she is ageless. And now that I am older than she is I would like to give her some fatherly advice.

June dear, Spiro looks good, but remember that he wasn't attentive soon enough to the needs of his child. Do not imagine that he will understand you any better once the honeymoon is over.

As far as family management is concerned, he is himself a child. For instance, he had no health insurance, an absolute sin for a self-employed businessman in the United States.

And the only thing he had to say about his former wife, "my" Alex, was that she was a victim. What kind of person she must have been didn't seem worth telling.

But really, Rex is the man you know and love. Sooner or later, he has got to get the message. And since you don't age like the rest of us, you've got time.

STEPHEN FORSTAT, Heppenheim, Germany.

Editor's note: Since Mr. Forstat wrote, Spiro has also been accused of not keeping up his payments to the bank.

Sunshine and Optimism: It's Thanksgiving in March

By Garrison Keillor

NEW YORK — The sun has come out in New York after a long spell of weather, a good time to pause in life's turmoil and count our blessings. Ordinarily we would do this in November, but things may not be as good then as they are now.

These are good times to be alive in America. The tide of hogwash is receding

MEANWHILE a little, with the Republicans in eclipse, pious lumbung also is slightly reduced.

The young president seems to have a tonic effect on everybody, including his opponents. He thinks, he talks, he enjoys the give and take of politics, he has some good ideas and he isn't full of himself.

Democrats of my generation tend to be long on sensitivity and short on sense, but this president has the good sense to feel lucky. So should we.

Last week, Florida made it legal to breast-feed a baby in public. The naked breast had been forbidden in Florida, but not now, so long as there is a baby attached to it.

This may not be an earthshaking advance, but young mothers in Tampa and St. Petersburg who might have been doing jail time are free today — as free as a parent of a small child can be.

Progress is rampant all along the line. American shamanism is at an ebb. You hear less about co-dependency than you used to and nothing about the men's movement.

Postmodernism now strikes practically everyone as completely outdated, along with its rather arrogant notion that we stand at the end of history. (What do we do with the kids?)

There seems to be less narcissism around. Or is it just me? We know we are in a new and improved era when nobody suggests that the terrible troubles in Bosnia are the result of misguided U.S. policy and could have been easily avoided.

The number of Republicans gainfully employed has been rising steadily since the end of January, which is bound to have a good effect sooner or later.

For 12 years, Republicans on the federal payroll have told us that private enterprise can do most things better and more cheaply than the public sector, and they did their best to prove it.

Now they can go be entrepreneurs and create real jobs for themselves and the American people will not have to pay them to sit in Washington and denigrate the idea of public service.

Nothing makes me happier on a sunny day than to think of how wrong I've been in the past.

The old fears of people like me that technology leads to totalitarianism and cultural sterility do not come true. The computer, the fax, the car phone, the answering machine — they all seem to lead to a more civilized life, affording us greater privacy and freedom, not less.

Television used to be blamed for low math scores, poor voter turnout and street violence and suddenly the monster turns out to be a rather shaky business; empires are teetering.

Television is a scam, based on selling advertisers something that doesn't exist — the devoted attention of viewers. Now that everyone has remote control, nobody watches commercials.

People skate from show to show, and the shows are designed to accommodate this transient audience. If you watch one for 60 seconds, you've got it and can move to the next.

It isn't art but it isn't bad. My children and their friends all grew up with television, and they seem smart and funny and mature to me, less zombie-like than most people my own age.

Walking in New York in the sunshine, thinking about these important matters,

The tide of hogwash is receding a little and, with the Republicans in eclipse, pious lumbung also is slightly reduced.

I saw a young man in a black cotton suit and big basketball shoes bounding up and down on the corner of 81st Street and Columbus Avenue. He was bouncing high, rotating counterclockwise, and he was grinning.

People noticed him in that cool way New Yorkers have, not looking directly at him, but at something just on the other side of him.

You wondered: What am I supposed to do about this? Call the cops? Is this something I'll read about in the tabloids tomorrow? "New Yorkers Ignore Man Having Seizure on Street, Hundred Pass by as Victim Leaps to Exhaustion?"

I don't think so. I think he just felt really good and was trying out his shoes. He was happy to have so much spring in his legs.

I feel that way myself sometimes when the sun comes out.

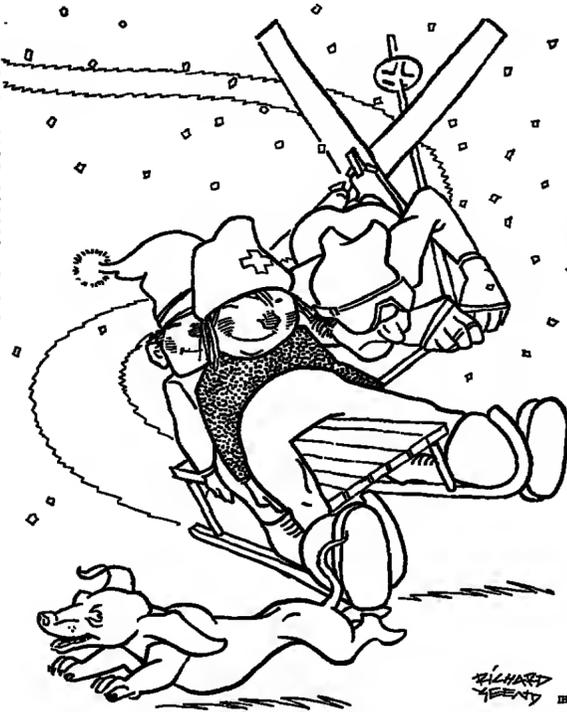
The writer, host of American Radio Company, is the author of "WLT: A Radio Romance" and "Lake Wobegon Days." He contributed this comment to The New York Times.

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L E I S U R E

Downhill Battle: Failed Skier's Diary

By Alan Cowell
New York Times Service



WINTER wonderland, take one: The erenellated peaks are etched against an azure sky. The snow, bedazzling as a beach-sheet in a detergent ad, unfurls beneath perfectly parallel skies. Come nightfall, as rose glow fades to fire glow, and a person's fancy tights turn to thoughts of...

Winter wonderland, take two: You arrive in some alpine village that, only a few years back, thought wealth meant an extra cow to hang a bell on. You open your wallet and all the locals take all your money for ski rental, lift pass, ski school, genuine mountain goulash soup, tots of schnapps with real prunes in it. The weasly-eyed ski instructor gets to pursue the likely thoughts. You get to stay in Tante Waltraud's authentically half-converted attic-cum-pensione and central heating that would make Scott of the Antarctic feel right at home.

Cut and print. This is the time of year that both scenarios, which are not mutually exclusive, come true. Ask anyone who, arriving in a European ski resort, has been gently nudged by an entire village. These days it's the visitors that serve as milk cows.

In Italy, where I live, the heigh-ho to the mountains is called *la settimana bianca* — the white week — denoting a seven-day suspension of normal forms of perambulation, when people in bright new ski suits proceed to the brink of a precipice, like lemmings in Day-Glo, to see who can throw themselves off with most panache.

Even the piste itself is not the whole point. By far the most important stretch is the last 100 yards, when the national sense of style-before-an-audience demands a high-speed flourish, a stop-on-a-dime halt and the insouciant look from behind the reflective shades that says you don't really care at all whether that Marcello Mastroloni — or Sophia Loren — lookalike was watching. Oddly, then, in the land that gave the world Gucci shoes and footwear-as-art-form, it is no disgrace to clump around in gigantic plastic boots as if auditioning for a part as a marooned astronaut in a Flash Gordon movie.

If this sounds bitter, let me explain why. At various points over the past couple of decades, I have tried to learn to ski. I have tried so hard and given up so often that I have been tempted to found a sect whose creed would begin with the words: If God had meant us to ski, we would have been born with feet as long as our bodies and made of epoxy resin.

My travails started in Turkey on a snow-bound, fogbound steppe outside Ankara, in the prehistory when skis were wooden and boots made of leather and the combination guaranteed spectacularly painful falls. After several of them, only the words of a fur-clad shepherd passing in the mist with his dogs made me get up again. "Dikkat," he said. "Kurt var." — "Watch out for the wolves."

From then on, in Austria and Switzerland and France, instructors — all weasly-eyed to me and, for some reason, devastatingly handsome to others — have belabored in a variety of languages the local variant of: Knees forward, lean out from the mountain, watch out for the pine tree and now get up again. I have failed to ski well in Lebanon, shar-

ing a T-lift with a Falangist sniper on the furlough, and in the lee of Mount Paros in Greece, where everyone stopped in a bunch to chat at the top of the chairlift so that the late arrival, perforce, careened into them. I have survived mystifying spills that left my woolen ski hat limning a hole in the snow exactly the same shape and size as my head.

Yet I can't seem to shake the idea that, though I may never ski like James Bond in the movie or Alberto Tomba in real life, I might, one day — just once — get to *surfer la piste* with my skis relatively aligned and my waddles relatively serpentine. And, after all, there is something dubby and comforting in that ski-village shuffle when everyone dresses in the same outlandish suits and circus-clown boots that make no sartorial distinction between those who ski to parallel perfection and those whose style defies generic classification — or, on occasion, gravity.

This curious affinity among people who have spent a fortune on a pasture that most human bodies were not designed for was brought home to me abruptly the other day. While pursuing an interview with a politician who failed to show up (I think he was out skiing) I dropped in on family and friends who were skiing in the Dolomites.

"You look funny," one of my friends said, gesturing with a ski pole toward the workaday collar and tie that marked me as an alien from another planet. "Funny yourself," I snapped back, muttering about Michelin men on moon walks.

For all that, this was a historic day — for me at least — because my 4-year-old daughter had her first skiing lesson and so, collar and tie notwithstanding, I waited at the

bottom of the beginner slope as the class of spay-legged, snow-plowing toddlers edged ever lower, hands aloft like an army of alpine Lilliputians surrendering in excruciatingly slow motion.

"I don't think I like skiing, Daddy," she said.

In fatherly fashion, I sought to comfort her, all the while looking out for Heinz, the ski instructor (whose eyes, I thought, had a kind of a well, weasly look to them) to inform him of his utter and contemptible failure to achieve in two hours what I had failed to accomplish in half a lifetime. "Don't worry," I told my daughter, "it's normal on the first day. No one gets to ski perfectly the first time." Or the second, or third or fourth, ad infinitum, I might have added from my own experience.

The moment left some terrible worries, all the worse because I had to leave soon afterward to earn the crust that paid the instructor, not to mention Tante Waltraud and all the other asset strippers — the ski rental, the lift pass, the purveyors of prunes to put in tots of schnapps.

"Guess what, Daddy: I learned to ski today," my daughter said brightly over the phone when I talked to her the next day, reviving all my hopes of parallel perfection for her, ending the angst for me. There was a more somber note, though. "But Heinz shouted at me," she confided in one of those small, 4-year-old-daughter voices designed to steer conversation away from the question of what exactly had inspired the reprimand.

Incensed, I delivered my paternal instructions. "If he shouts at you again," I said, "tell him he's got weasly eyes."

When in Phnom Penh, Do as Foreigners Do: Hit the Restaurants

By Philip Shenon
New York Times Service

PHNOM PENH, Cambodia — What this war-shattered nation needs is hospitals, schools, factories, roads. What it's got instead is fresh pasta — plates and plates and plates of it. "All of our pasta — and all of our ice cream — is freshly made," said Graham Burgess, a safari-suited Englishman who owns two successful new Italian restaurants in Phnom Penh, the Cambodian capital. He expects a handsome return on an initial investment of about \$250,000.

"I'd figure 50 percent profit in the first year," Burgess said with a grin to match his profit projections. "This is my first experience in running a restaurant, and I find I quite enjoy it. Today we had the British ambassador for lunch. The ambassador from Japan comes on a regular basis. The Ameri-

can ambassador comes here quite often. We did have an American assistant secretary of state. The French, the UN people, they all eat here."

A year after the government of Cambodia and rebel groups signed a UN-sponsored peace treaty intended to end Cambodia's long civil war, this beleaguered, impoverished city is experiencing, of all things, a restaurant boom. Almost every week, a foreign-owned, foreign-run restaurant opens somewhere in Phnom Penh to serve the 22,000-member UN peacekeeping force here and the rest of Cambodia's newly returned and free-sending expatriate community.

Even as they pack the restaurants and devour the food, UN peacekeepers acknowledge that there is something disquieting about all this. A postwar restaurant boom would be fine, even welcome, they say, as long as the peace process worked and other sorts of businesses were thriving alongside the newly opened res-

taurants. But in fact the peace process is foundering — the largest rebel group, the Khmer Rouge, is refusing to disarm — and the Cambodian economy remains in tatters.

With little else to do at night but worry about the fragile peace, foreign residents of Phnom Penh have become obsessive about their restaurant-hopping. The Phnom Penh Post, a new English-language newspaper, has an avidly read restaurant column that, in a recent issue, went on at length about the comparative merits of the mozzarella served at competing pizza restaurants.

A UN official who dines out almost every night said the restaurants had become "emblematic of our problems in inspiring long-term investment in Cambodia. Money is being drained out of Cambodia by businessmen who have no desire to put down roots here."

The first foreign-run restaurants did perform a valuable service to the expatriate community. Before the October 1991 peace treat-

ty, visitors to Phnom Penh had difficulty finding a restaurant that served edible food prepared in a kitchen that met even the most basic standards of hygiene.

Now, there are dozens of restaurants catering principally to foreigners. Much of their

food — and in some restaurants, virtually all of it — is imported by air freight on one of the several daily flights from Bangkok or by container ship up the Mekong River.

Charly Maurer, the owner of the French restaurant La Paillote, imports his meat from Australia, his fish and lettuce from Vietnam and much of his staff from Bangkok, where he had a restaurant for years.

Within a 10-block radius of Maurer's establishment, one can find restaurants serving tenderloin steak (\$10), tandoori chicken (\$8), nachos (\$5), pad Thai (\$6), Sichuan chicken (\$7) and chicken cacciatore (\$8).

These are prices well beyond the reach of most Cambodians, who remain among the world's most impoverished people. The UN estimates the per-capita income among Cambodians at \$150 a year, less than the cost of dinner for four at some of the city's better restaurants.

In Phnom Penh's most expensive restaurant,

La Mousson, patrons dine beneath a crystal chandelier, and the menu includes an appetizer of smoked salmon in puff pastry with caviar on blinis, for \$14.

"We're doing well," said its general manager, Dauphin Thierry, a chain-smoking Frenchman who also runs the Café No Problem, which opened last year in a renovated villa near the National Museum and was the first of the trendy foreign-run restaurants. "But the competition, it is stiff," Thierry said. "It is very, very stiff."

Burgess has begun to wonder if there is not a bigger business in all of this. There are international pest-control operations all over the world these days, and Burgess recalled a recent conversation with a fellow businessman about opportunities in other troubled parts of the world.

"Sometimes?" he asked in a tone that appeared to be only half joking. "Do you think there's a call for a restaurant, there?"

HEAR THIS

Steinbeck is popular again, 25 years after his death. Reuters tells us. This being the late 20th century, this isn't expressed by people reading the books, but by fans mobbing a celebration on Cannery Row in Monterey, California. Also, Steinbeck's new popularity seems to be less a result of his prose style than of the fact that he seems relevant again, recession-wise.

THE MOVIE GUIDE

L'Arbre, Le Maire et le Mediatheque

Directed by Eric Rohmer. France. Eric Rohmer has proven to be a filmmaker for all seasons: He can take a proverb or fable and thirly turn out a bright new Marivaudage. The language and politics of love have always served him well, and he manages in this film to make a kind of romance out of the language of politics. Julien Dechaumes (Pascal Gregory), the ambitious Socialist mayor of a village, has funding from the minister of culture to build a mediatheque — a multimedia complex, grouping everything from swimming pool to video library — smack on the village green, uprooting a century-old tree. He has to confront the local school teacher (Fabrice Lucchini), who is on the side of nature, and convince his mis-

Rich in Love

Directed by Bruce Beresford. U.S. Albert Finney as Warren Odum, a Southern who has suddenly been left by his wife, is soon doing a remarkable job

of taking things in stride. His mischievous, jaunty portrayal is the best thing about this film, based on a novel by Josephine Humphreys with a seductive South Carolina setting. The film has to have the makings of something more substantial than it turns out to be: another Southern sojourn with a family of giddy eccentrics, none of whose flamboyant personal problems seems to make much difference to the others. A family can be dysfunctional without being interesting. Also in the cast are Kathryn Erbe, Suzi Amis, Kyle MacLachlan, Ethan Hawke, Piper Laurie and Jill Clayburgh. They can't save the film: After a few genuinely bright episodes and a lot of short, atmospheric scenes the characters' many troubles are cheerfully resolved. The net effect of the film's goings-on is remarkably slight. (Janet Maslin, NYT)

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L E I S U R E

Dinner Jacket, Side Order of Pasta

By Nick Ravo
New York Times Service

SAN FRANCISCO—Designer food, an expression often used to describe trendy culinary concoctions or bioengineered produce, has taken on another meaning here with the opening of an Armani clothing store that offers not only high fashion but also high-priced northern Italian cuisine.

The restaurant, Emporio Armani Express, which opened in November, is part of a chain that Giorgio Armani has started in the last year in his Emporio Armani stores, which are less expensive than his boutiques but more expensive than his A/X shops.

Other restaurants are in Costa Mesa, California, London, and Seoul. Two more are to open this spring in Boston and Los Angeles, but because of space limitations, there are no plans for restaurants at any stores in the New York area.

"Armani's idea is to supplement the clothes," said Marco Di Tano, the manager of the San Francisco restaurant.

Designers have ventured into the food business before. A few years ago, Bill Bliss put his name on a line of Godiva chocolates, and Emilio Pucci has produced olive oil, wine and honey. But none have opened restaurants or cappuccino in Ralph Lauren's Polo stores doesn't count.

As for clothing stores with restaurants, they have generally been limited to tearooms

and lunch counters in department stores, although last September, Jon Weiser, the president of Charivari, was talking about a *petit café*, since delayed, in his new store in Manhattan.

By contrast, the Armani restaurants, which are owned by Armani but operated by local restaurant-management companies, offer more ambitious fare. The menu here includes pastas and risottos priced from \$9.95 to \$14.95, including a spaghetti in a light tomato sauce with clams, mussels and scallops, and shrimp al cartoccio (shrimp cooked in paper). Meat and fish entrees are \$12.95 to \$18.95. The wine list features about 40 Italian and California labels. Bread is made in a bakery in the basement. The service staff wears beige uniforms and aprons designed by—who else?—Armani.

"We do it the same way Armani approaches his clothes," Di Tano said. "Simple and clean, not 'look at me.' Nothing too dazzling."

BUT in San Francisco, the striking design of the store that houses the restaurant is as much an attraction as the clothes and the food. The store occupies a 90-year-old former bank in the Union Square area. The mostly marble interior is punctuated by a domed ceiling and Romanesque columns.

"People come in and like the clothes and are overwhelmed by the space," said Mary Hamilton, the general manager of the store, which opened in September. "Then they see the food, and they are drawn to it."

The restaurant, on the mezzanine overlooking the sales floor, seats 48 and serves dinner as well as lunch. It remains open until 10 P. M., after the store has closed at 6 or 7.

To the center of the first floor is an oval mahogany bar that serves cappuccino, desserts, salads, antipastos, fritatas and sandwiches on Italian bread. Unlike the restaurant, the bar is open for breakfast.

Many of the diners are tourists, particularly Italians. "For the Italian people, Armani is like home to them," Di Tano said. Anna Lascorcia, who is from Rome but now works at the University of California at San Francisco, was lunching on penne with four cheeses. "I came here to shop, but then I decided to eat," she said.

Richard Baker, president of Bernard Chaus Inc., a clothing company in Manhattan, and former president of Esprit de Corp Womenswear in San Francisco, said the restaurant has become popular with buyers from stores like Macy's, I. Magnin and Neiman-Marcus, much in the same way that "44" at the Royalton Hotel in New York has attracted the powers of the magazine world.

Willie Brown, who is almost as famous for his flamboyant clothes as he is for being the long-time Speaker of the California Assembly, said, "I haven't eaten here yet, but I will." Brown, who was milling about the café, was wearing black pants and a black shirt by Gianni Versace, and a Claude Montana black leather jacket. (His glasses were Armani, though.) "This is a great addition to the town," he said. "It's like being in Europe."

Lagerfeld and Armani: Kiss of Life

By Suzy Menkes
International Herald Tribune

MILAN—Two great designers gave the kiss of life to moribund Italian fashion. Karl Lagerfeld designed his best Fendi collection in years—even if it was briefly punctuated by an anti-fur demonstration. Giorgio Armani sent out a noontime collection—but one that was still inventive in color and refreshingly modern.

Otherwise, the Milan season has been subdued. All the fireworks have been in politics,

MILAN FASHION

with finery on the runways making less riveting television than fisticuffs in the Senate. In that context, the banner claiming "The Fendis are fashion criminals" unfurled on the runway, seemed mild stuff. The riposte was a wonderfully inventive collection, which took fur to the summit of craftsmanship and fashion to the outer edge. If anyone can bring fur back in fashion, it is Fendi.

The surprise was the strength of the ready-to-wear, which opened the show and which usually looks like fallen leaves from Lagerfeld's sketchbook. This time there was a theme, knitwear, which is the hot story of the season. Over long, slim skirts went elongated tunics tipped with fur—giving a sense of style and discreet luxury. Other knit-wear came with Tyrolean patterns and wool-loop fringing. Fur was kept in focus with stoles as light and skinny as feather boas, necklets made out of scraps from the furrier's floor, fur worn in the hair or plaited in Claudia Schiffer's blonde braids.

"Fur is only hair after all!" claimed Lagerfeld. But these days, it is not about what fur is, but what you do with it: like making sable so light in construction that the model could unfold it from a small purse. That insouciant gesture brought the house down—but it was also saying something about modern fur, which should be light in every sense.

LAGERFELD'S irony and irreverence is the counterpart to Fendi's exquisite workmanship. That meant the silky fairs of a sable lining poked through an airy mesh coat like flesh through frayed jeans. A denim bike shearing worn over torn jeans appeared at some point in the fast-paced show to reinforce the message. And since everybody is now into re-cycling, Lagerfeld did a witty take with his coat made like a rag rug from scraps. Oh sure, on one's going to wear it, but it shows fur alert to fashion instead of a load of dead skins.

There were also fine examples of modern elegance: pascuenterie worked in fur on the surface of a coat; a fine mesh overlay on the pelts; fur tassels swinging; russet sables gleaming. It was a great show.



In one imaginative use of fur (top), Fendi worked scraps into model's hair and coat; then there was Armani's rose-patterned suit.

Armani had turned to Matisse for inspiration, and like all truly creative designers he absorbed what he wanted from the artist—and did it his way. A shadow play of light appeared in changing textures of finely checked pantsuits. They are Armani's signature, although fur that hems are long, the designer looked comfortable with the few skirts.

The Armani pantsuit doesn't change much, which is part of his admirable integrity. He freshened it this season by making jackets soft, sometimes cut with a curve or decorated

in a linear way with flat pleats. Pants were soft as pajamas. There were none of the theatrical-cumming blouses seen elsewhere—just brief curving vests over bare skin as Armani's vision of modern-day dandies. The vests were patterned with flat flowers or in Fauvist colors, contrasting with the neutral suits.

"I wanted to get away from the ordinary and everyday," Armani said at his after-show party, which took place in an Oriental tent, complete with tasseled hanging light. Tasseling and fringing—a daring thing for Armani—was a theme of the show, and meaty shawls flung about, or even fringed at the hips and hem of a long knitted dress.

The colors were extraordinary: the vivid jade and emerald greens of Matisse's Tangier paintings; bright corals; a Mediterranean blue; and mauve. Mouth-watering color peeking from the covek of plain black pantsuits sent a shiver of pleasure down the spine.

BUT when Armani fancied up evening clothes he had a problem. So the fringed shawls and flowery fluid dresses were Matisse? They looked like Giorgio-Does-Grunge. A rose-patterned pantsuit would have looked better as a sofa cover. Maybe classic designers just can't go romantic in that way. His pantsuits tenderized with silky fabrics and in ice blue and mango looked so much more modern.

American buyers all report phenomenal sales for Armani across the United States. Maybe that will reassure the designer that women are not bored with his ever-inventive tailoring, but overjoyed to find clothes that don't make the world a stage. Which brings us to the Armani evening dresses that seem to be done with one eye on the Oscars. Since most Hollywood dressing is irredeemably tacky, maybe Armani should just give up bothering with clothes that don't seem part of his pantheon.

The Gucci show summed up what was wrong with the Milan season—but right about Italian fashion. The show on the outer fringes of town made an elaborate performance over nice clothes for the rich and tasteful. Anyone with serious money (and shares in a dry cleaning business) could not go wrong in a pale maxi-coat wrapped like a bathrobe or a short, strobable alpaca jacket. Fringed blanket plaid, shrunken cartriges, over filmy chiffon blouses and suede pants touched base with current fashion in a class luxurious way. There was even a nod to washed hippies in a laced-front dress in lemon-sorbet suede.

Gucci's maxi-suit—a sashed jacket over an ankle-skimming slim skirt—was a doubtful proportion seen elsewhere in Milan. Even in fine fabrics it seems to complicate women's lives. But Gucci expresses the acceptable face of luxury in the 1990s and the show is now symbolic of the class and style the company once had and then mislaid.

THE ARTS GUIDE



A photograph from the "When Grandma and Grandpa were Children" exhibit in Israel.

AUSTRALIA

Sydney
Powerhouse Museum (tel: 217.01.11). To April 18: "Orbiting in Australia: Fantasy in Glass." More than 20 glass sculptures by the American-born artist.

AUSTRIA

Vienna
Kunsthistorisches Museum (tel: 52.11.77). To June 27: "Die Welt der Maya." More than 300 objects explore the world of the Mayas spanning Belize, El Salvador, Guatemala, Honduras and Mexico.
Museum Moderner Kunst Stiftung Ludwig (tel: 34.12.59). To April 4: "Oedipus: Traces of Time." More than 40 large "number" paintings and corresponding photographs and drawings produced by the Minimalist artist. His works document and trace time by a continuous sequence of numbers. Also, to April 11: "Marital Reserves." A retrospective including more than 150 works produced between 1959 and 1991.

BELGIUM

Antwerp
Flemish-Moravian Museum (tel: 232.24.55). March 13 to June 13: "Antwerp 88: Botany in the Southern Netherlands." A historical survey of botany between 1500 and 1650 is presented through representative prints, illustrations, drawings, copper plates and botanical preparations.
Brussels
Musées Royaux d'Art et de d'Histoire (tel: 733.4647). To April 30: "Splendeurs des Sarrasins." Persian gilded silver, textiles, weapons, mosaics and frescoes from the 2d to 7th centuries.

BRITAIN

Birmingham
Ikon Gallery (tel: 643.0708). To April 3: "In Fusion: New European Art." A display of paintings, sculpture, ceramics and drawings by the Czech designer.
Cambridge
The Fitzwilliam Museum (tel: 332.900). To May 2: "The Great War: Britain's Efforts and Ideals." War: Britain's Efforts and Ideals. A lithographic commission and issued by the Ministry of Information in 1918 by C. W. R. Nevinson, Eric Kennington and Muirhead Bone.
London
Barbican Art Gallery (tel: 638.7171). To June 13: "The Sixties: Art Scene in London." Features more than 200 paintings, sculpture, photographs, designs and installations by Caro, Denny, Hockney and Hodgkin, among others.

British Museum (tel: 323.8525). To April 25: "Japanese Arts." A selection of Japanese swords, lacquerware, contemporary ceramics, and paintings of the Maruyama-Shijo school along with color woodblock prints by Utagawa Hiroshige.
Design Museum (tel: 403.6833). To Aug. 22: "Ideal Home." Four thematic sections explore the story of modern housing, suburban development, the 20th-century use of electricity. Highlights include room reconstructions, furnishings, architectural models and film footage.
Manchester
The Whitworth Art Gallery (tel: 273.4865). To March 27: "Nature's Way: Romantic Landscapes from Norway." More than 120 oil studies, watercolors and drawings by J. C. Dahl and Thomas Fearnley.

CANADA

Montreal
Musée des Beaux-Arts (tel: 285.1800). To March 28: "Grand Siècle." More than 130 paintings by 17th-century French artists, with works by Le Nain, Poussin, Latour, Le Sueur and La Hyre.
Ottawa
National Gallery of Canada (tel: 990.19.85). To May 23: "The Crisis of Abstraction in Canada: The 1950s." Abstract art by such groups as the Automatists, Peintres Eleven and First Plasticiens, among others.
Toronto
Art Gallery of Ontario (tel: 977.04.14). To April 25: "Caricatures." A light-hearted exhibit which displays 29 new acquisitions of humorous, satirical and illustrative graphic art. Includes works by Kasimir Malevich, Beatrix Potter and Roy Lichtenstein.

THE CZECH REPUBLIC

Prague
Museum of Applied Arts (tel: 57.73.06). To March 30: "Borak Stpek - The Neamess of the Far Architecture: Design." Furniture, glassware, ceramics and drawings by the Czech designer.
Humboldt
Louisiana Museum of Modern Art (tel: 42.18.07.18). To May 9: "At the Edge of Chaos: New Images of the World." A survey of developments in the field of architecture, the visual arts and science.

FRANCE

Paris
Musée Jean Viny (tel: 76.36.40.88). To May 31: "Jules Flantrin." A retrospective including more than 300 paintings by the classical artist, Jules Flantrin.

Paris
Grand Palais (tel: 47.22.20.42). March 13 to June 14: "Le Siècle de Titien." Concentrates on the works of Giorgione and Titian and examines how the pair influenced others in Venice during the 16th century.
Institut du Monde Arabe (tel: 40.51.38.38). To May 16: "Art islamique et Mécanique." Trésors du Koweït." More than 105 representative objects of Islamic art from a private collection: calligraphy, miniatures, ceramics, carpets, glassware, Jeu de Paume (tel: 47.03.12.50). To April 11: "Martin Barre." Abstract paintings by the French artist. Also, to April 11: "David Robinson." Monumental sculptures by the Canadian artist.

GERMANY

Berlin
Städtische Museum (tel: 266.2629). To May 31: "Die Elster und Europa." As part of an effort to promote cultural exchange in the European community, this exhibit of Eurasian art is on loan from the French national collection.
Bonn
Rheinisches Landesmuseum (tel: 729.41). To April 25: "Hundert Jahre Photographie in Russland von 1840-1940." One hundred years in Russia are illustrated through more than 300 portraits, landscapes, genre photographs and still lifes.
Düsseldorf
Kunstmuseum (tel: 899.2473). To April 18: "Gert Heinrich Wollheim: 1894-1974." A retrospective of the 20th-century German artist's work.
Essen
Fotografische Sammlung (tel: 83.94.50). To March 28: "Mission identities." An exhibit on projected identity as illustrated through the photographic works of 16 students.

IRELAND

Dublin
The Irish Museum of Modern Art (tel: 718.868). To May 30: "P. J. Carroll Collection: Aspects of Irish Painting (1960-1980)." Works by a variety of contemporary Irish artists including Ballagh, Farrell, Gale and Scott.

ISRAEL

Jerusalem
Beth Hatechessoth, Museum of the Jewish Diaspora (tel: 646.20.20). To April 30: "Sephardi Itinerary, 1992." Photographs from Frederic Brenner's nine-month journey from the Balkans to the New World.
The Israel Museum (tel: 70.83.11). To May 24: "When Grandma and Grandpa were Children." Posters, photographs, books, utensils, toys and games from the '30s and '40s.

ITALY

Turin
Castello di Rivoli (tel: 958.7256). To April 25: "Torino e l'Arte." An exhibition on Turin's role in contemporary culture and art between 1950 and 1970.

JAPAN

Iberald
Museum of Modern Art (tel: 92.43.51.11). To March 28: "Amadeo Modigliani." More than 60 oils, sketches and sculptures by the Italian artist.

Kasama
Kasama Nichido Museum of Art (tel: 96.72.21.60). To April 4: "Chaim Soutine." A retrospective including more than 80 landscapes, portraits and still lifes.

Kawasaki
Kawasaki City Museum (tel: 754.4500). To March 28: "The World of Herade Tajiri." More than 100 works by this Nagano-born artist depict Japanese landscapes, nature and people's everyday lives.

Meguro
Meguro Museum of Art (tel: 37.41.12.01). To April 4: "Yasuhara Kimeki." A retrospective of 140 ceramic works by the Japanese artist.

Otsu City
Otsu City Museum of History (tel: 75.21.21.00). To April 11: "Ukiyo-e Prints by Hokusai." More than 500 works including portraits, landscapes and wildlife.

NETHERLANDS

Amsterdam
Stedelijk Museum (tel: 573.29.11). To March 28: "The Big Archival." This exhibit is part of a series of installations that focus on the psychology of the Soviet citizen in the near absurdity of daily existence. Leading works by the Russian artist Ilya Kabakov.
Maastricht
Maastricht Exhibition and Congress Centre (tel: 438.3666). March 13 to March 21: "The European Future." One hundred and fifty dealers from Europe and the United States will present their finest in Old Master paintings, drawings, ancient oriental and western works, silver, jewelry and textiles.

SPAIN

Barcelona
Fundació Joan Miró (tel: 328.19.06). To March 21: "Mija Tulek: 'Ousconque.'" The artist superimposes beeswax and pigment to form a sort of indeterminate landscape in time and space. Also, to March 28: "Witold Lom." More than 60 paintings by the Cuban artist.

SWEDEN

Stockholm
Nationalmuseum (tel: 6064250). To March 28: "Furniture: Mattsson, Chamberl, Kandell and Bohlin." Inventive furniture by leading designers of the current century.

SWITZERLAND

Lausanne
La Collection de l'Art Brut (tel: 375.435). To May 2: "Bill Taylor: 1954-1947." Drawings by Bill Taylor of his history, real and imaginary, from his years as a slave on a plantation.
Zurich
Kunsthhaus (tel: 251.6765). To May 2: "From the Treasures of Eurasia: Masterpieces of Ancient Art." More than 170 pieces of ancient art from the museums of the ex-Soviet Union represent 18 different cultures.

UNITED STATES

Baltimore
The Walters Art Gallery (tel: 527.30.00). To June 13: "Sisley, Master Impressionist." Sixty-five masterpieces by one of the founders of Impressionism, including scenes of the Seine and the Thames.
Malibu
The J. Paul Getty Museum (tel: 459.76.111). To May 23: "Fame and Photography." More than 45 photographs of celebrities, politicians, and literary and artistic figures.
New York
The Museum of Modern Art (tel: 708.9480). To May 2: "Max Ernst: Dada and the Dawn of Surrealism (1912-1927)." More than 150 paintings, collages, reliefs, sculptures, prints and drawings marked by the artist's Dada and early Surrealist achievements.
Washington
Smithsonian Institution (tel: 357.2627). To May 31: "Saynday was coming along." Silverthorne's Drawings of the Kiowa Trickster." Original drawings and paintings from the 19th and 20th centuries which illustrate stories passed down from different American Indian tribes.

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Commercial Real Estate

Brussels: EC Demands Help to Steady Market

The real-estate market of Brussels has enjoyed relatively stable rents and vacancy rates over recent years, while markets in many other European capitals have fallen back. Thanks largely to the presence of the EC and NATO, and to the city's claim to be the capital of Europe, this is not about to change.

Commercial real estate agents in the city predict that although new developments could push vacancy rates up from 4.6 to 6 percent in the next few months, prime site vacan-

Growth predicted for renovations

cy rates will remain at 3 percent. Rents in areas such as the Leopold quarter, home to many European Community institutions, are likely to hold steady at around 9,000 to 9,500 Belgian francs (\$278 to \$293) per square meter. The real-estate market in Brussels divides into four roughly equal categories, according to Richard Ray of the agents Richard Ellis.

"The European Community has an important role on the market but not as important as you would imagine," he says. "There is also a strong financial

sector, corporate sector and the Belgian state." Nevertheless, EC developments contribute significantly to market stability. At the Edinburgh summit last December, EC leaders fixed the permanent location of many EC institutions.

While Strasbourg was confirmed as the permanent seat for the European Parliament's plenary sessions, Brussels will remain the site of extraordinary sessions. The city was also

confirmed as the location for the European Commission, the Council of Ministers and the Economic and Social Committee. The summit decision to speed negotiations on new EC members should also buoy the European capital's real-estate market.

Agents Auguste-Thouard estimate that by the year 2000, the Commission and the Council of Ministers will need 1.25 million square meters of space, compared with the

present 820,000 square meters. The Brussels commercial real estate market differs from those in other European capitals in that the national economy itself has less effect on the state of the market. This is fortunate for the market, as Belgium's large and rising public deficit stood last year at 485 billion Belgian francs, or 6.9 percent of GNP.

Belgian companies have been affected by the country's slack growth and economic weakness. Michel Filette, the managing director of Jones Lang Wootton in Belgium, says the recession caused some Belgian companies to move out from the city center to cheaper offices on the outskirts. "Some of

the multinationals are suffering too, but they have to be here for lobbying reasons," he says.

Jones Lang Wootton's figures for rentals in Brussels between 1984 and 1991 put average annual growth at 29 percent. The company's most recent report predicted annual rentals of some 260,000 square meters in 1992 and 1993, followed by strong expansion next year.

Mr. Filette foresees a stable vacancy rate in coming years, with any slackening in demand being compensated for by a slowdown in construction. "The future for Brussels is in renovation," he says. "Many of the buildings are 20 to 30 years old, which for Brussels is old." Patrick Chalmers

Prices Helped by Flood From East

The commercial real estate boom, which lasted longer in Germany than in most countries, is now over. Prices have declined by a quarter to a third over the last six months, although they remain high by historical standards.

A year ago, 80 Deutsche marks (\$49) a month was the benchmark net rent for a square meter of newly let prime commercial real estate in Berlin. Speculative demand was pushing top-of-the-market rents toward 100 DM a month, and 60 DM a month was a routine quote for business parks and extra-urban developments. Square meter prices in Frankfurt, Munich and Hamburg were some 10 percent lower.

Today, because of the downturn in business generally, prices start at 55 DM a month and go down. Vacancy rates, which are starting to creep over the 10 percent mark in several major markets (some new high-prestige projects have rates triple that figure), seem fated to balloon once the country's various new office complexes come onto the market over the next two years.

A long-term equilibrium between supply and demand is not yet in sight. Vast new business parks and inner-city complexes are either planned or under development in Germany's "new" (eastern) states; over 2,000 "conversion" (former military) sites await civilian purchasers and users. In the opinion of real-estate experts, however, the German commercial real-estate market may already be bottoming out. "I don't see it going down much more," states Paul R. Dudman, managing director of Auguste-Thouard-Erdman GmbH, an international real-estate consulting firm based in Frankfurt. "The fundamentals are all good."

The first fundamental is demographic in nature. Contrary to forecasts, the population in the western part of the country has grown over the past five years by some 3

million, a rise largely attributable to an influx of young, family-founding adults from Eastern Europe, according to Germany's Federal Office for Statistics.

This influx has not only kept up the pressure on residential rents, which are forecast by the trade weekly Wirtschaftswoche to climb by another 7 percent in 1993, but has also affected the commercial market by generating further demand for retail outlets and personal services (tax advisors, physicians, etc.).

Another fundamentally healthy sign is the fact that even at the current, lower levels, real-estate yields are usually more than enough to cover property finance and maintenance costs. At 45 DM a square meter (the current nationwide average for commercial property in major cities), developers are realizing three times as much income as they earned 12 years ago. For-

tunately, long-term mortgage interests are also currently falling toward the 7 percent mark, helping to lessen strains on balance sheets.

"It's a mistake to view the German real-estate market as a single entity," says Mr. Dudman. "It is actually a collection of sharply different local markets."

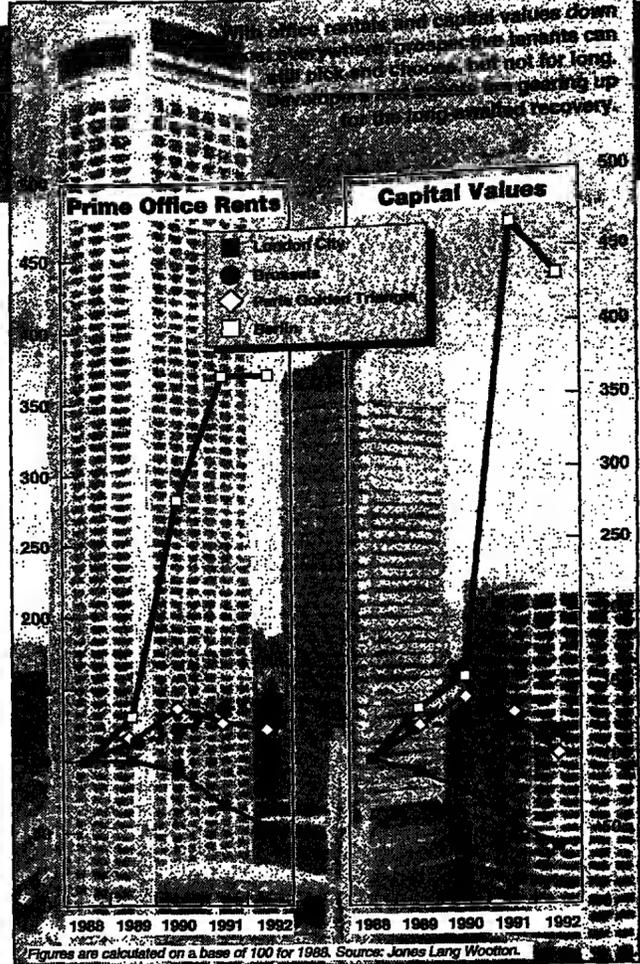
Take Berlin. Last year's boom town, the city was labeled Germany's future ghost town in January. The main cause of this gloom was doubt as to whether the federal government's move from Bonn would take place within the foreseeable future. The late-February presentation by a city-federal commission of "firm plans" for mapping out a government quarter in Berlin and revamping the Reichstag has stabilized prices.

What of reports of hundreds of mega-sized business parks in Eastern Germany? "Many of them are still just on the drawing board and will only be realized when the buyers for them materialize," states a senior executive at Jones Lang Wootton in Frankfurt. "In any case, in such markets as Leipzig and Dresden, a tremendous amount has to be built simply to satisfy years of pent-up demand."

More and more state governments in Germany are grouping their various real-estate and business-development activities in one organization, often operated as a "public-private partnership," a private-sector company with governmental agencies as its shareholders. Their prototype is LEG (Landesentwicklungsgesellschaft Nordrhein-Westfalen).

In addition to handling a range of assignments from communities in the state of North Rhine-Westphalia and managing 90,000 apartment units in the state, LEG, in the words of its chief executive, Peter Lampe, is a leading practitioner of "site recycling." The agency, a form of "real-estate doctor," has successfully turned around former industrial and military sites, predeveloping them for commercial use.

Terry Swartzberg



Black Country Points Way To a Brighter Future

Over the past two years, British property companies have been saying that the market seems to have bottomed out, and now is the time to buy. This might be dismissed as the expected reaction of people who have a personal interest in a rising market. Now, however, other people — including some who are not looking for commissions and who do not have anything for sale themselves — are beginning to agree.

One of them is Ian Page, marketing director for the Black Country Development Corporation, a quasi-governmental agency whose infrastructure

Investors attracted by weaker pound

grants help pave the way, sometimes literally, for private developments in and around Birmingham.

"The general picture is that with the lowering of interest rates, we should see a pickup in investment in commercial property," Mr. Page says. "For the past three to four years, the market has really suffered through a decline. But now I think we're at the bottom of the trough."

It has been a deep trough. A study by the Investment Property Data-bank shows that the value of office property in Britain fell by 6.1 percent last year, while retail property grew by 4.8 percent and industrial property by 0.7 percent.

Another study by Savills, the property advisers, shows a different issue. It raises how the money has dried up for property fi-

nancing: only about \$4.4 billion was raised in property-related loans, bonds and rights issues in Britain in 1992, compared with nearly \$6 billion in 1991.

Perhaps even more significant is the fact that more than two-thirds of that 1992 funding was for refinancing rather than for new projects.

Yet Mr. Page believes there is good reason for some optimism in Britain in general and in the West Midlands, including the so-called Black Country, in particular.

He cites the number of queries his office receives from companies interested in establishing operations in or near Birmingham, Britain's second-largest city (population 5 million).

If they are going to build new facilities, he reasons, they are going to need to do property deals. "We saw 15 companies on a recent trip to the United States, and five or six are keen to come over and talk," Mr. Page says.

He adds that there has been particular interest, both from British companies and from abroad, in proposals for a new industrial park. Prospective investors include companies

involved in light manufacturing, research and development, waste disposal and training.

"This is mainly a manufacturing area," he notes. "We've certainly felt the recession. But this recession has affected the service industries more than manufacturing, so we haven't felt it as badly as London and southeast England."

In addition, the weakness of sterling makes this a good time to attract foreign investment. "As a place to invest, Britain is far more attractive to foreigners now," Mr. Page says. Similarly, the weak pound should make British products more attractive abroad, so the property market could get a boost from British companies expanding to meet increased export demand.

As a result, Mr. Page says, for the first time in years British developers are beginning to show interest in the kind of big projects — "If you build it, they will come" — that help trigger a growth cycle.

"I feel there's a bit more confidence among developers," he says. "And that's something new." Timothy Harper

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Commercial Real Estate

Demand in Central Paris Beginning to Pick Up

Though demand for business properties in the Paris region overall continues to drop and several commercial building programs have yet to hit the market, the optimists are able to point to faint signs that things might start to get better toward the end of this year or early next year. This will depend partly on a general upturn in the economy.

In contrast to the rest of the region, the total number of new business rentals in the city actually rose slightly in 1992, while recent months have seen a

Advisory services gain importance

flurry of restructuring and recapitalization moves by developers and banks that may help to stop prices falling further.

"This is a good moment for potential investors to start looking again at what is on offer here," says Patrick Wormser, director with the Foncière des Hauts-de-Seine, a development company that specializes in the Ile-de-France (Paris) region. "At current prices, properties offer good rental yields, though with the virtual disappearance of many traditional investors, re-

selling is not easy," he adds.

According to figures produced by Jones Lang Wootton Research, sale values for top-of-the-range office premises in Paris's exclusive Golden Triangle district declined from 70,000 francs (\$12,700) per square meter in 1988 to 58,400 francs per square meter last year. At the same time, the study shows that rental yields on prime locations have risen from 5.5 percent to 6.5 percent over the same period, with returns reaching as much as 8.5 percent for parts of the La Défense business district to the west of Paris. This last figure reflects a vacancy rate of 12.5 percent for the district, compared with 4.9 percent for the city.

"There is no denying that Paris is going through a crisis period," comments Monique Benisty of the Auguste-Thouard commercial-real-estate agency in Paris. "Nonetheless, investors still placed some 10 billion francs in French commercial property last year, and the overwhelming majority of this — perhaps as much as 90 percent — was spent in the Ile-de-France region," adds Ms. Benisty, who recently finished work on Auguste-Thouard's annual survey of the Paris market.

"Prices may still have

she says. "Companies looking for office space then began renting newly completed premises in well-situated districts just outside the city, such as Boulogne and Levallois to the west and St-Denis in the north."

"However, now that prices in central Paris have dropped, demand has picked up a little there, while the outlying areas are suffering badly," she concludes. For instance, rents as low as 1,500 francs per square meter are now being asked for a number of offices in the 10th arrondissement (district) of Paris. This is about the same as the rent for top-class office accommodation in Boulogne. In a few rare cases — for example, the Centre d'Affaires building near Trocadéro — rents may go as high as 4,500 francs per square meter.

The boom-and-bust cycle that sent Paris spinning between 1988 and 1991 was triggered by overheating in the property market

itself, then deepened by general recession in the economy as a whole. This experience, though less severe than the crashes suffered by London and New York, may be starting to produce some long-term changes in the way commercial property business in Paris is handled.

For one thing, property advisory services are taking on new importance. For instance, as part of a restructuring settlement, the Paris office of the Arthur Loyd agency has launched a consultancy business that gives greater emphasis to marketing, strategy definition and follow-up provisions.

Moreover, French banks that have hailed out property clients by injecting capital and taking properties onto their own books are likely to insist on developers assuming greater financial responsibility and carrying out more market research before they start lending again.

Michael Rowe

MIPIM: International Market

The fourth annual MIPIM, the international property market trade show, is taking place from March 13 to 16 at the Palais des Congrès in Cannes, France.

The conferences backing up this year's MIPIM are focusing on change in Europe, new growth areas

and the needs of end users and investors. Individual sessions will address such topics as the role of communication in selling projects, urban planning, property swaps and financing techniques.

The conference organizers, the Paris-based MIDEM organization,

are expecting more than 5,000 participants representing some 1,800 businesses from about 35 countries, together with more than 300 exhibitors. A particular feature of this year's event is a big increase in the number of city authorities taking part.

Foreign Support Under Threat in N.Y.

Although President Clinton has backed down from his plan to raise taxes on non-U.S. companies by \$44 billion, he has proposed several measures that will increase their tax bite, including more audits and closer record keeping (estimated tax increase: \$3.8 billion).

These proposals threaten the fragile recovery currently taking place in New York City commercial real estate. As Mayor David Dinkins stressed on a recent trip to Japan, the city has become dependent on overseas firms — 177,000 in Manhattan alone, according to the U.S. Bureau of Labor Statistics.

The numbers are reflected in recent real-estate transactions, most of which have involved such firms; e.g., Korean clothing manufacturer SP Cambridge's purchase of 1270 Broadway for \$144 per square foot and the purchase by Holy Properties of Germany of 29 W. 57th St. for \$277 per square foot.

Frequently, as land in Manhattan increasingly falls under foreign ownership, these transactions involve one overseas firm purchasing from another, such as an Italian investment firm's purchase of 10 E. 53rd St. for \$60 million from an English pension fund, and Olympic Airways' purchase of properties on 42nd St. from a Japanese company.

The second most notable property transaction of 1992 was the \$119 million purchase by the German conglomerate Bertelsmann AG of 1540 Broadway. (The first was Mutual of America Life Insurance Company's purchase of 320 Park Avenue for \$130 million.) Like other firms seeking space in Manhattan, Bertelsmann took advantage of the buyer's market to negotiate favorable rates (the 1.1-million-square-foot building was in pre-bankruptcy) as well as tax benefits from the city.

Bertelsmann, like many other firms, found it more advantageous to buy than rent space. After the Hammerston Group, a British real estate developer, built its first U.S. property in 1988, it found itself competing with nearly 90 million square feet of available property in Midtown. The firm lured the Girl Scouts of America by

dividing the property, on 420 Fifth Avenue, into a condominium; since nonprofit groups are exempt from local property taxes, the Girl Scouts found it advantageous to buy their portion.

But for-profit companies also like the concept of buying space without having to purchase an entire building. Hammerston now plans to buy distressed properties and convert them to condominium ownership.

Significantly, the latest wave of foreign companies to open a New York office involves such smaller spaces. These firms usually desire an attractive location in a Class A building to represent them in the U.S. For example, floor sizes at 70 E. 55th St., owned by the U.S. subsidiary of British real-estate firm Heron International, range only up to 7,000 square feet. The building offers international firms the benefits of full-floor tenancy with the same technology as much larger avenue skyscrapers. Barclays Bank, Takenaka, Olivetti and the London Stock Exchange are among the tenants.

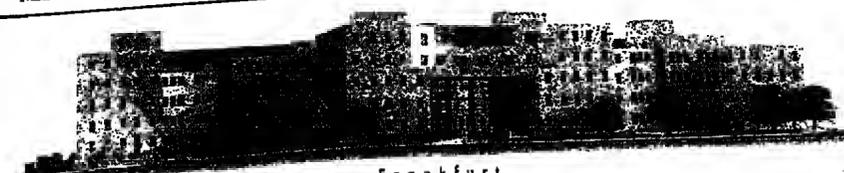
Overall, the New York market continues to suffer from the continued recession in its core industries, including finance, advertising and clothing. Even so, Fortune 500 companies are remaining, although they continue to relocate back-office operations to less expensive areas.

But office vacancies are much higher in New Jersey, Long Island and especially Southern Connecticut. In fact, Manhattan is in much better shape than most other business centers — 5 to 10 percentage points ahead of vacancy rates in such once-hot Sunbelt cities as Los Angeles, Miami and Houston.

The terrorist bombing of the World Trade Center will have only a temporary effect on the market.

Steve Weinstein

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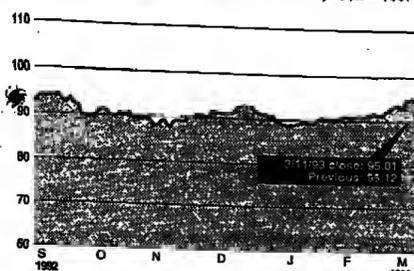
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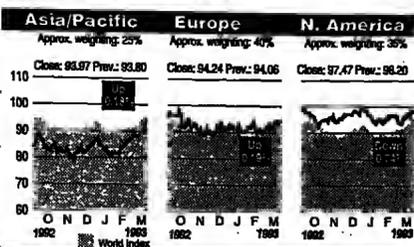


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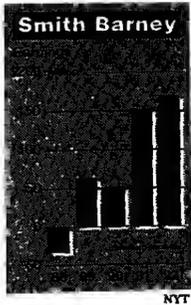
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WALL STREET WATCH

Even Without Shearson, Primerica Lures Investors

By Michael Quint

NEW YORK — Even before Primerica Corp. disclosed its interest in acquiring American Express Co.'s Shearson brokerage business, it was well advanced in its transformation from a sleepy consumer finance company into a highly profitable financial services house.



Since Primerica announced Tuesday that it was looking to acquire Shearson's retail brokerage operations from American Express, its stock has gained 20 percent. Despite that gain, and the possibility that Primerica might offer new shares to pay for part of Shearson's \$1 billion price tag, analysts continue to recommend the stock.

When Privatizing Firms, Russians Do It by the Book

By Erik Ipsen

LONDON — Eager to kick the world's most ambitious privatization program into overdrive in spite of the current political turmoil, the Russian Privatization Ministry on Thursday unveiled a massive new loose-leaf manual to help Russian bureaucrats and citizens alike figure out how to get on with the task.

Dmitry Vasilyev, deputy chairman of the State Committee of the Russian Federation for the Management of State Property, speaking in London, described the manual as essential to unlocking the mysteries of the government's plans for those who must execute it. "Unfortunately, after 70 years people have forgotten what a market economy and a share is," he said.

Mr. Vasilyev noted that Russia had already privatized 55,000 mostly small enterprises. By the end of 1993, its ambitious plans call for a total of as many as 50,000 more small companies to have been sold off, plus 10,000 to 15,000 medium and large concerns, far harder to slog. "Even if their program reaches only 50 percent of its goals it will still qualify as the world's largest privatization to date," said Michael Eilan, an economist at Credit Suisse First Boston.

U.S. Drafts an Asian Trade Policy

By Keith Bradsher

WASHINGTON — The administration is drafting a trade policy toward Japan, China and Southeast Asia that would combine aid to American high-technology industries with negotiations to open Asian markets for these products, according to officials.

tations on opening Asian markets for them, the official said.

The new policy does not include any plans for the sort of severe trade restrictions that the auto and textile industries have been seeking.

The administration trade official said that because of the program's emphasis on supporting exports, there might be little immediate effect on the swelling U.S. trade deficit with Japan, which reached \$49.42 billion last year.

Mickey Kantor, the U.S. trade representative, told the Senate Finance Committee on Tuesday that American officials might seek specific shares of foreign markets for American companies, adding, "There is great interest in this administration on that approach."

The new policy may also be tempered by the same diplomatic and military concerns that limited the Bush administration's willingness to restrict imports from Japan.

position now, it might find itself a decade from now with a nuclear bomb under the World Trade Center and a need to evacuate all of Manhattan.

The Bush administration persuaded Beijing last year to adopt a 12-page list of tariff reductions and other measures in open its markets. The agreement was partly intended to address a yawning trade imbalance, as the United States imports Chinese goods worth \$25.73 billion and exports only \$7.47 billion-worth of goods to China.

Chinese bureaucrats appear to be obstructing some American exports covered by the agreement, notably auto parts. "We're coming up with all sorts of horror stories," the senior administration official said.

[China told the United States on Thursday it was useless to make preferential trade treatment conditional on its human rights or trade access performance, Reuters reported from Beijing.]

["Exerting pressure is undesirable and will have no effect," a Foreign Ministry spokesman, Wu Jianmin, said at a news conference.

[Mr. Clinton must decide by June whether to continue to give China a special low-tariff treatment, known as Most-Favored Nation status. Secretary of State Warren Christopher said the decision would depend on Beijing's record.]

Rexrodt Offers Little Solidarity to Steel

Compiled by Our Staff From Dispatches

BONN — Economics Minister Günter Rexrodt told the steel industry Thursday that Bonn would not bail it out, just as talks began among various levels of German government on how to craft a pact with business and labor to revive the economy.

In a blunt speech in parliament, Mr. Rexrodt said corporate mismanagement and high wages won by defiant trade unions had led to the industry's worst slump in decades. "Since the last steel crisis from the mid-1970s to the mid-1980s all responsible parties knew that steel supply was higher than demand. Still, German steel compa-

nies hesitated or failed to rationalize," he said.

"Now that everyone sees that this will not work on the market," he added, "they want to hand over responsibility to the state and politicians. I will not go along with this."

The steel industry is collapsing, with the layoff of 40,000 workers expected over the next three years.

Meanwhile, Chancellor Helmut Kohl conferred with 16 premiers from Germany's regional states and other political leaders about the government's role in the solidarity pact.

Mr. Kohl cannot get his consolidation program, a package of spending cuts and tax rises, through parliament without the support of the states, which control the upper house.

Hans Eichel, premier of Hesse, said the opposition Social Democratic Party had a duty to traditional working-class voters to resist proposed welfare cuts. "We have said clearly where our limits lie and that is one of them."

Gerhard Schröder of Lower Saxony said Bonn would also have to compromise over other spending cuts which it wants the states to make. "If the government is prepared to do this, which I hope it is, then we can agree," he said. "We employ the teachers and the police. They See STEEL, Page 14

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Sumitomo Metal Plans to Cut 3,000 Jobs

Compiled by Our Staff From Dispatches

TOKYO — Sumitomo Metal Industries Ltd. said Thursday that it would cut its work force by 3,000, or 14 percent, over the next three years, and 14 Japanese steelmakers indicated they had similar plans.

The announcement came one day after a domestic rival, NKK Corp., announced a cost-cutting plan that included cutting 3,200 jobs, a reduction equal to 15 percent of its workers.

It was also a sign that Japan's economic slump, which earlier hit the country's automakers and electronics manufacturers, had spread to the steel industry. Sumitomo's moves seem likely to be followed by other major Japanese steelmakers.

Kobe Steel Ltd. said Thursday that it planned to review its three-year restructuring plan announced last year. Officials of Kawasaki Steel Ltd. said the company would announce a restructuring package next month that may include cuts in the work force.

In addition, Kyocera Corp., the world's largest maker of ceramics for semiconductors, said it planned to cut its work force by about 1,000 over three years, to about 13,000.

Kyocera said it would limit its nonmanufacturing operating staff as far as possible by shifting employees to sales or manufacturing. It also said it would reduce research-and-development outlays to less than 5 percent of annual revenue over the next two to three years, while lowering capital spending on fixed assets.

Sumitomo, which has a work force of 22,200, said it did not plan layoffs but would stop replacing retirees and would reduce hiring in the next financial year to two-thirds of the number hired in the year ending March 31.

It said it would also transfer some workers in subsidiaries and would cut investment by nearly 20 percent over the next three years, to \$30 billion yen (\$2.8 billion).

Officials said the goals of the three-year Sumitomo program included making a profit of 50 billion yen in 1995-96. News reports have forecast that the company would post an 85 percent decline in profit to less than 6 billion yen for the current financial year. (AP, Reuters, AFP)

SEC Chief: Swap Regulators Too Jumpy

By Carl Gewirtz

HONG KONG — The top U.S. securities regulator said Thursday that official unease about the swaps market was greatly overblown, providing cheer to derivatives dealers, who have been hearing criticism of their business in recent months.

Richard C. Breeden, outgoing chairman of the Securities and Exchange Commission, told the annual meeting of the International Swap Dealers Association that banking regulators should "not be stampeded" into rules that might stifle the market.

The swap dealers have long contended that regulatory concern that defaults in their huge market could lead to a worldwide financial meltdown is overdone.

Current estimates value the global market in swaps and derivatives linked to underlying securities at \$5 trillion, a thousand-fold increase in the past decade. But, Mr. Breeden pointed out, the parties to a swap deal risk only a small fraction of its face value, and he said the market had done itself a disservice in defining itself in "notional" volumes of business. Real economic exposure, he noted, "is typically only 2 to 3 percent of the notional amount."

"The specter of trillions of dollars in notional amounts has scared many people" and resulted in "hyp-

erbolizing rhetoric over the past couple of years," he said.

Swaps typically allow companies and financial institutions to exchange risks. For example, a company in Germany that needed to raise money might find the bond market to be most favorable for yen-denominated securities. It could sell an issue in Japan and then execute a swap with a bank that would actually repay the holders of the yen bonds.

Meanwhile, the German company would become responsible for paying off one of the bank's obligations in Deutsche marks. The company would thus avoid the risk of a sharp appreciation in the yen, which would raise its repayment costs calculated in marks. The terms of the swap would compensate the party that took the greater risk, as perceived at the time the deal was struck.

Mr. Breeden, presumably referring to the recent failure of securities markets and banking regulators to agree on common standards for this market, warned that "regulatory cartels" seeking to establish global rules "do not serve the public interest nearly as well as individual markets trying to come up with the best system of regulation tailored to the economic needs of the markets in which they operate."

International banking regulations on capital-adequacy standards that came into effect this year do require banks to set aside capital for the credit risk inherent in this business, which is considered an off-balance-sheet activity.

Mr. Breeden, whose term as the SEC chief expires in June, highlighted inherent risks about the business that are currently not the focus of attention. "The swaps market is much more concentrated than traditional lending or securities markets, with fewer players and larger relative sizes of specific positions. That means that concentration limits are, if anything, just as important as capital requirements."

Mr. Breeden also said he was troubled by the growing market practice of making swaps callable if one party's credit is downgraded below a certain rating. It is possible that substantial volumes of contracts could become due "at unexpected times when an event or events of stress may have prompted rating changes at one, or perhaps many, institutions."

The Bank of Portugal cannot underestimate the negative signs of the real economy that accumulated throughout 1992," he said. (AP, Reuters)

Lisbon Central Banker Quits

Compiled by Our Staff From Dispatches

LISBON — Antonio Borges, the Bank of Portugal's deputy governor, tendered his resignation late Thursday after a dispute with the Finance Ministry over the economic pain caused by the bank's high-interest-rate policies.

Mr. Borges had offered last Friday in step down after a disagreement between the central bank and the finance ministry over whether to cut Portugal's interest rates. Lisbon's private radio Correo da Manha said.

Last week, Finance Minister Jorge Braga de Macedo sharply criticized the central bank's policy and called for a cut in rates, saying that high interest rates together with a strong escudo were hurting industry and agriculture.

"The Bank of Portugal cannot underestimate the negative signs of the real economy that accumulated throughout 1992," he said. (AP, Reuters)

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5. Décharges aux administrateurs;
6. Réélection des administrateurs sortants à l'exception de Monsieur Pierre VANSTENKISTE démissionnaire;
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Tout actionnaire peut voter par mandataire.

Pour la société,
BANQUE DE GESTION EDMOND DE ROTHSCHILD
LUXEMBOURG
20, Boulevard Emmanuel Servais
L-2535 Luxembourg

AUSTRALIA FUND

SICAV
(in Liquidation)
2, boulevard Royal Luxembourg
R.C. Luxembourg B-24061

Notice of Extraordinary General Meeting

The shareholders of AUSTRALIA FUND are hereby convened to attend an Extraordinary General Meeting of Shareholders to be held on March 26, 1993 at 11:00 a.m. at the offices of Banque Internationale à Luxembourg, 2, boulevard Royal, Luxembourg, Grand-duchy of Luxembourg to deliberate on the following agenda:

- 1. to hear the report of the auditor appointed at the previous Meeting;
2. approval of the liquidation accounts;
3. to give discharge to the liquidator, the directors and the auditor to the liquidation which had been in place;
4. to take steps required for the deposit in escrow of monies which have not been distributed and for the storage of books and records of the company;
5. to decide on the close of the liquidation.

Shareholders are informed that at this Meeting, no quorum is required and the decision will be passed by a majority of two thirds of the shares present and voting.

In order to attend this Extraordinary General Meeting, the owners of bearer shares will have to deposit their shares five clear days before the meeting at the registered office of the company or with Banque Internationale à Luxembourg, 2, boulevard Royal, L-2953 Luxembourg.

The Liquidator

CURRENCY & INTEREST RATES

Table with multiple columns: Cross Rates, Eurocurrency Deposits, Key Money Rates, and Forward Rates. Includes data for various currencies and interest rates as of March 11.

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MARKET DIARY

Stocks Pull Back On Economy News

NEW YORK — Profit-takers arrived in earnest Thursday on Wall Street after three record sessions in a row, and blue-chips finished weaker.

N.Y. Stocks

encouraging news about the American economy.

The Dow Jones industrial average fell 21.34 points, to 3,457.00, although advancing and declining issues finished just about even.

The Labor Department reported that more Americans filed first-time unemployment applications in the last full week of February, pointing to slower improvement in the labor market.

The rise in claims sparked declines in shares of economically sensitive issues like paper and chemical stocks, which often fall when bad economic news is released.

Sun Microsystems dropped 2 1/2 to 3 1/2% on news that the company posted unexpectedly strong third-quarter earnings.

Dollar Gets Whipsawed By Tensions in Russia

NEW YORK — The dollar ended fractionally lower Thursday in nervous trading against major foreign currencies after it had soared to 11-month highs earlier in the day over worries about the political survival of President Boris N. Yeltsin of Russia.

The dollar, traditionally a safe haven in times of crisis, changed hands as high as 1.6790 Deutsche marks in European trading before settling back to close in New York at 1.6614 DM.

"The market was just trying to digest what was coming out of Russia," said Lee Kassler, vice president at National Westminster USA in New York. "We are stuck in a wait-and-see mode."

"It's become instinctive to sell marks on bad news from Russia but, like most instinctive reactions, it's over with quickly," said a London trader.

"I think the market's overreaction was more to do with the current dearth of direction than any real concerns about which will run

The Nasdaq index of over-the-counter shares rose 1.41 to 694.28. Bond prices were mixed. The 30-year Treasury bond was off 2/32 in late trading to yield 6.75 percent, up from 6.74 percent Wednesday.

But some analysts said the market was merely taking a breather after its surge to record levels. With the industrial average having gained 65 points Monday and ended at new highs the first three days of this week, "the stock market is extended and is pulling back," said A.C. Moore, an analyst at Argus Investment Management.

"I think we're seeing some profit-taking in the economically sensitive areas," said Tony Dewar, chief market strategist at Sherwood Securities. But he said the market's upward trend was intact.

"Fourteen out of the last 15 days had positive breadth," he said, adding that the market was "due for a day off."

Giaco was the most active stock on the New York exchange, falling 1 1/8 to 18 1/2 on news that Ernest Mario had resigned as chief executive. Volume was nearly 6 million shares.

Sun Microsystems dropped 2 1/2 to 3 1/2% on news that the company posted unexpectedly strong third-quarter earnings.

National Semiconductor added 1 1/2 to 12 1/2 after the company posted unexpectedly strong third-quarter earnings.

Dealers said the latest Russian crisis was bad news for the mark because of Germany's proximity to Russia and the threat to Germany of a flood of Russian refugees.

February currency sales rose a better-than-expected 0.3 percent over a flat sales month in January but jobless numbers climbed to 376,000 in the week to Feb. 27, from 351,000.

Traders said that the inconclusive data provided a convenient excuse to take profits on the dollar and a further incentive to sell was provided by rumors of Bundesbank dollar sales.

"There's a widely held belief the Bundesbank has been selling dollars above 1.67 marks and it's making everyone cautious," said a dealer at a U.S. bank.

The dollar closed at 117.55 yen, off from 117.97 yen on Wednesday. It was quoted at 1.5229 Swiss francs, down from 1.5344 francs, and 5.6421 French francs, down from 5.6500 francs. The pound was at \$1.4310, compared with \$1.4340.

(UPI, Reuters)



Table of NYSE Most Active stocks including symbols, volume, and price changes.

Table of AMEX Most Active stocks including symbols, volume, and price changes.

Table of NYSE Diary with columns for stock symbols and price changes.

Table of AMEX Diary with columns for stock symbols and price changes.

Table of NASDAQ Diary with columns for stock symbols and price changes.

Table of Dow Jones Averages showing various indices and their values.

Table of Standard & Poor's Indices showing various indices and their values.

Table of NYSE Indices showing various indices and their values.

Table of NASDAQ Indices showing various indices and their values.

Table of AMEX Stock Index showing various indices and their values.

Table of Dow Jones Bond Averages showing various bond indices and their values.

Table of Market Sales showing various market sales and their values.

Table of N.Y.S.E. Odd-Lot Trading showing various odd-lot trades and their values.

Table of S&P 100 Index Options showing various options and their values.

Table of NYSE Diary with columns for stock symbols and price changes.

Table of NASDAQ Diary with columns for stock symbols and price changes.

Table of EUROPEAN FUTURES showing various futures contracts and their values.

Table of SUGAR (FOX) showing sugar futures and their values.

Table of COFFEE (DOD) showing coffee futures and their values.

Table of COCOA (FOK) showing cocoa futures and their values.

Table of WHITE SUGAR (FOX) showing white sugar futures and their values.

Table of ALUMINUM (HIGH GRADE) showing aluminum futures and their values.

Table of METALS showing various metal futures and their values.

Table of 3-MONTH STERLING (LIFFE) showing 3-month sterling futures and their values.

Table of 3-MONTH EURO DOLLARS (LIFFE) showing 3-month euro dollars futures and their values.

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Table of LONG GILT (LIFFE) showing long gilt futures and their values.

Table of U.S. FUTURES showing various U.S. futures contracts and their values.

Table of GRAINS showing various grain futures and their values.

Table of WHEAT (CBT) showing wheat futures and their values.

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Table of GERMAN GOVERNMENT BOND (LIFFE) showing German government bonds and their values.

Table of GASH (LIFFE) showing gas futures and their values.

Table of BREITENBURGER (LIFFE) showing Breitenburger futures and their values.

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U.S. / AT THE CLOSE

Recovery Still On, Softly

NEW YORK (HT) — Soft statistics released Thursday on retail sales and weekly unemployment claims showed the U.S. economy still chugging ahead but not as strongly as some recent market-flicking figures had indicated.

The Commerce Department reported last week's no-change report for February, a slight improvement over January's no-change report but a figure partly inflated by runaway lumber prices and furniture. Nondurable goods, especially automobiles and furniture, showed a decline in durable goods, especially automobiles and furniture. Nondurable goods sales increased after the normal Christmas spurge on big-ticket items. Winter weather also depressed activity.

The Labor Department reported that weekly jobless claims rose from 351,000 to 376,000 during the week ended Feb. 27, in contrast to last Friday's report of 325,000 new jobs last month, which had cheered markets. While the two figures measure different things and are not comparable, they are taken as short-term and medium-term gauges of economic activity. "You have to take both numbers with a grain of salt," said Elias Bikhazi, senior financial economist at Deutsche Bank. "The monthly employment data overstated strength and weekly jobless claims exaggerated weakness."

Marriott in Deal With Bondholders

WASHINGTON (Bloomberg) — Marriott Corp. said Thursday it had reached a preliminary agreement with some of the biggest U.S. institutional investors on changes to its plan to break itself in two.

The hotel company came to terms with IDS Financial Services, a unit of American Express Co.; California Public Employees' Retirement System; Teachers Insurance & Annuity Association, and Allstate Life Insurance Co., which together own \$400 million of the company's bonds. The agreement is unusual because corporations rarely accede to bondholder requests. Bondholder lawsuits typically are thrown out of court because creditors do not own a company as do shareholders.

Prudential May Sell Its Reinsurer

NEWARK, New Jersey (Bloomberg) — Prudential Insurance Co. of America, said Thursday it was considering the sale of its reinsurance unit. Prudential Reinsurance Co. should attract investor interest as a result of the industry's estimated \$20 billion in catastrophic losses in 1992, analysts said. Reinsurers could demand premium increases of as much as 50 percent to reimburse other property and casualty insurance companies. "We believe Prudential Reinsurance is worth an excess of \$1.2 billion," said a spokesman for Prudential, Joe Vecchione. "If we don't get the price we think it should command, we're going to keep it."

Prudential Reinsurance had a loss of \$60.5 million last year, compared with earnings of \$97 million in 1991.

National Semiconductor Net Jumps

SANTA CLARA, California (Bloomberg) — National Semiconductor Corp., the sixth-largest U.S. chipmaker, said Thursday that financial third-quarter earnings had nearly doubled on increased sales and lower production costs.

The company posted net income for the quarter ended Feb. 28 of \$26.9 million, or 19 cents a share, up from \$14.5 million, or 11 cents, a year earlier. The company said sales rose 22 percent to \$491.5 million from \$401.8 million. National Semi said gross margins rose to 31.1 percent, from 28.7 percent. It credited a "continuing restructuring program" with lowering production costs.

For the Record

CBS Inc. said it would keep its headquarters in New York City for the next 15 years after receiving an incentive package from the city and state valued at nearly \$50 million.

Zenith Electronics Corp. reported a fourth-quarter loss of \$20.3 million, compared with a \$500,000 loss in the same period last year. Sales declined to \$385 million from \$399 million.

WORLD STOCK MARKETS

Agence France Press March 11

Table of Amsterdam stock market data including various indices and stock prices.

Table of Helsinki stock market data including various indices and stock prices.

Table of Hong Kong stock market data including various indices and stock prices.

Table of Johannesburg stock market data including various indices and stock prices.

Table of London stock market data including various indices and stock prices.

Table of Montreal stock market data including various indices and stock prices.

STEEL: Germany Hangs Tough

(Continued from first finance page) must be reasonably paid, that costs money and we cannot cut here."

Other elements of the solidarity pact have already been put in place. Unions agreed to moderate pay deals, businessmen promised more investment in Eastern Germany and even the Bundesbank, although not directly involved, played its part by cutting interest rates.

In Bochum, meanwhile, the chairman of the steel concern Fried. Krupp AG Hoesch-Krupp was jeered and pelted with eggs when he tried to explain to 2,500 protesting steelworkers why the group had to shut its plant at Rheinhausen. Workers shouted "liar" and "Judas" as Gerhard Cromme defended a decision to cut 4,500 jobs by the middle of next year and promised to look for jobs elsewhere for idled employees.

(UPI, Reuters)

U.S. FUTURES

Via Associated Press March 11

Table of U.S. Futures - Grains showing various grain futures and their values.

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Vertical advertisement on the right edge of the page, partially cut off, featuring the word 'Telecomm' and other text.

London Scraps Taurus Project

Europe's Financial Capital Deal a Setback

By Richard W. Stevenson
New York Times Service
LONDON — The London Stock Exchange abandoned on Thursday development of a costly computerized trade-settlement system, setting back London's efforts to remain Europe's financial capital.
The exchange said it was pulling the plug on the project, known as Taurus, because of persistent technical problems that were unlikely to be solved for years. The decision led to the immediate resignation of the exchange's chief executive, Peter Rawlins, who said he would take responsibility for what the financial community here viewed as a calamity.
The exchange itself had spent about \$115 million developing the sophisticated software needed to create a paperless and faster system of settling trades. Banks, brokerages and stock-exchange companies had spent hundreds of millions of dollars more, according to some estimates, since the project began in 1987.
The exchange said it would dismiss 220 of its employees working on the program, and that 130 other employees would lose their jobs.
The decision leaves the City stock with a time-consuming and expensive trade-settlement system at a time when its European rivals, particularly in Frankfurt and Paris, are making serious efforts to challenge London's dominant role in European and international finance.
Under London's current system, it can take three weeks for a stock trade to be settled, and the process involves extensive paperwork by the brokerages, banks and other involved institutions.
Because of Germany's financial clout, Frankfurt is viewed among the banks and investment houses here as the most potent rival. Frankfurt has made a number of changes in recent years to attract more international investment activity, and has streamlined its trade-settlement system to finalize most transactions in less than three days. In the United States, trades are typically settled in five business days.
But Taurus has been plagued with problems almost from the start. Its biggest difficulty was the unwillingness of the City's financial institutions to agree on a common centralized system for keeping track of share ownership and dealing with ownership transfers. Instead, the hundreds of brokerages and banks operating here decided that each would keep its own computer system. The individual systems were then to be linked into a computerized clearinghouse operated by the stock exchange.

Rolls Sets Job Cuts As It Falls Into Red

Compiled by Our Staff From Dispatches
LONDON — Rolls-Royce PLC, the British aircraft and industrial-engine group, said Thursday it would cut nearly 10 percent of its work force over the next two years as it plunged into the red and slashed its dividend.
As anticipated, the company said it would cut 5,000 jobs from its work force of 52,000, with 3,000 of the cuts taking place this year.
The company said it had posted a pretax loss of £184 million (\$120.3 million), after recording a profit of £51 million in 1991. Sales in 1992 rose marginally, to £3.56 billion, from £3.52 billion in 1991.
In line with analysts' predictions, the company announced a dividend for 1992 of 5 pence, down from the 7.25 pence paid in 1991.
"Depressed market conditions have continued longer than forecast," said Chairman Ralph Robins. "In the short-term market, conditions remain difficult, at a time when continued high investment is necessary."
Mr. Robins said he did not see "any prospect of recovery in the aerospace sector for the whole of 1993 and most of 1994."
As in 1991, the company's subsidiary for industrial power-generating equipment stayed profitable while losses in aerospace operations widened. Profit from sales of turbines and other power equipment fell to £54 million from £73 million, but losses from airplane engines deepened to £220 million from £6 million.

Renault Net Surges But Outlook Grim

PARIS — Chairman Louis Schweitzer of Renault, the French state-controlled carmaker, said Thursday that profit would fall in 1993 even though its best car sales in nine years drove net last year up 84 percent to 5.68 billion francs (\$1.03 billion).
"With a market that will decline by 9 to 10 percent, I think it would be utterly unreasonable to think of an increase," he said. "I think our profits will fall in 1993."
Separately, Volvo AB, Renault's Swedish partner, announced in Stockholm a record loss for 1992 and cut its dividend for the first time.
Despite his gloom about 1993, Renault's Mr. Schweitzer said he hoped that Renault would limit the drop in car sales to about half the 9 to 10 percent drop expected in the overall European market.
Renault's operating profit jumped by 70 percent to 7.92 billion francs in 1992, on sales that were 8 percent higher at 179.45 billion francs.
The result came despite a loss of 1.38 billion francs from its holdings in Volvo and a loss of 600 million francs from the fall in value of the British pound and Italian lira. Volvo's losses had cost Renault just 12 million francs in 1991.
But Mr. Schweitzer said there were signs of recovery at Volvo that should show up this year.
Car sales, which account for 83.6 percent of Renault's sales, rose 12 percent to 150 billion francs in 1992. The company sold 1.67 million cars in Europe last year, up 4.9 percent from 1991, pushing its share of the European market to 11.5 percent from 10.7 percent.
Volvo announced that its loss in 1992 totaled 3.31 billion kronor (\$434 million), after recording a profit of 1.11 billion kronor in 1991. The dividend was cut in half, to 7.75 kronor.
Sales rose to 83 billion kronor from 77.22 billion. Sales in the car group rose 5 percent but truck sales had fallen by the same margin.
In the fourth quarter, Volvo recorded an operating loss of 731 million kronor, which included foreign-exchange losses of 630 million as a result of Sweden's decision to let the krona float last November.

Investor's Europe

Exchange	Index	1992	1991	Change
Frankfurt DAX	100	1,717.40	1,708.88	+0.48
London FTSE 100 Index	100	2,294.50	2,296.50	-0.22
Paris CAC 40	100	1,982.84	1,982.84	0.00
Amsterdam CBS-Trend	100	1,058.00	1,054.00	+0.40
Brussels Stock Index	100	1,717.40	1,708.88	+0.48
Frankfurt FAZ	100	1,717.40	1,708.88	+0.48
Helsinki HEX	100	1,717.40	1,708.88	+0.48
London Financial Times 30	100	2,294.50	2,296.50	-0.22
London FTSE 100	100	2,294.50	2,296.50	-0.22
Madrid General Index	100	2,294.50	2,296.50	-0.22
Milan MIB	100	1,148.80	1,147.00	+0.60
Paris CAC 40	100	1,982.84	1,982.84	0.00
Stockholm Allshareindex	100	1,148.80	1,147.00	+0.60
Vienne Stock Index	100	1,148.80	1,147.00	+0.60
Zurich SSB	100	1,148.80	1,147.00	+0.60

COMPANY RESULTS

Company	1992	1991	Change
Finland			
Kymmene	1,238	1,208	+2.4%
Japan			
Nippondenso	1,238	1,208	+2.4%
France			
BNP	1,238	1,208	+2.4%
Germany			
Basf	1,238	1,208	+2.4%
United States			
Albertson's	1,238	1,208	+2.4%
Frederated Dept Stores	1,238	1,208	+2.4%
Other			
Rolls Royce	1,238	1,208	+2.4%
Klockner-Werke	1,238	1,208	+2.4%

Czechs Aim to Net \$18 Billion More in Privatizations

PRAGUE — The second and last wave of the Czech Republic's privatization program aims to raise nearly \$18 billion and will be launched in summer, Privatization Minister Jiri Stalicky said Thursday.
"For sale in this wave of the voucher privatization will be property worth some 300 billion koruny," or \$17.9 billion, he said at a news conference. "We will also offer property which has not been sold in the first wave."
Officials here said that more than 2,000 companies will be sold.
The program was launched in early 1992 when 8.5 million Czechoslovaks — 56 percent of the population — paid 1,035 koruny each for vouchers that allowed them to buy equity in state companies ranging from heavy engineering to breweries.

EC Sets Dumping Duties On Bicycles From China

BRUSSELS — The European Community said Thursday it had imposed provisional anti-dumping duties of 34.4 percent on bicycle imports from China after an investigation found the imports had caused "grave damage" to EC producers.
The inquiry by the EC Commission followed allegations from the European Federation of Bicycle Manufacturers that China and Taiwan were selling bicycles in Europe at below-market prices.
The inquiry, which started in December 1991, concluded that bicycle imports from China had eroded profitability and undermined investment of EC manufacturers. It did not find dumping of bicycles by Taiwan.
The commission said its inquiry into bicycle imports found a 34.4 percent difference between the sale price of Chinese bicycles in the Community and in China. It said that the price difference on bicycles from Taiwan was 1.05 percent, too small to warrant imposing duties.
The EC defines dumping as the exporting of goods at prices below their production cost or below their sale prices in their home market.
The EC bicycle market was worth 3 billion European Currency Units (\$3.5 billion) in 1992, the commission said.

Very briefly:

- WPP Group PLC, the London-based owner of U.S.-based agencies J. Walter Thompson and Ogilvy & Mather, posted a \$21 million loss due to one-time charges in 1992 after recording a profit of \$23.7 million in 1991. It also said it planned to raise \$126 million through an issue of new common stock.
- Banca Nazionale del Lavoro said it had raised its provisions for bad loans by 48 percent to 3.1 billion lire (\$1.9 billion) in 1992 and cited the problem of unauthorized loans made by its Atlanta branch in Iraq; the bank said its net profit rose 5.1 percent to 78 billion lire in 1992.
- RTZ Corp., the world's largest mining company, said it had adjusted earnings growth of 1 percent, to \$348 million (\$408 million), in 1992 and said the modest growth was due to depressed metals markets.
- Ford U.K., Britain's largest carmaker, headed off threatened strike action, announcing that it had abandoned plans for compulsory layoffs.
- ABB Asea Brown Boveri Ltd. said earnings fell by 4 percent to \$1.11 billion in 1992 and forecast that profits would be little changed in 1993.
- Christies International PLC, the London auction house, said its pretax profit rose 5 percent to \$5.7 million in 1991 following improved sales in the wake of two years of results depressed by the recession.
- SIPRI, the Stockholm International Peace Research Institute, said 4 million of the current 15 million jobs in the worldwide arms industry could disappear over the next five years.
- TF1, the French television network, was sentenced to pay 55 million French francs (\$9.7 million) in damages to France 2, another network, for copying a program.

NYSE Thursday's Closing

Tables include the nationwide price up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

12 Month High	Low	Stock	Div	Yld	PE	52 High	Low	Latest	Chg
100	100	IBM	6.00	4.5	13.1	175	170	171	+1
100	100	Microsoft	3.00	3.0	15.0	100	95	96	+1
100	100	Apple	2.00	2.0	10.0	70	65	66	+1
100	100	Oracle	1.50	1.5	12.0	50	45	46	+1
100	100	Novell	1.00	1.0	11.0	40	35	36	+1
100	100	Lotus	0.50	0.5	9.0	30	25	26	+1
100	100	Intuit	0.25	0.25	8.0	20	15	16	+1
100	100	Visa	0.10	0.1	7.0	15	10	11	+1
100	100	MasterCard	0.05	0.05	6.0	10	5	6	+1
100	100	Discover	0.02	0.02	5.0	5	2	3	+1

12 Month High	Low	Stock	Div	Yld	PE	52 High	Low	Latest	Chg
100	100	AT&T	0.80	4.0	15.0	100	95	96	+1
100	100	Verizon	0.60	3.0	12.0	70	65	66	+1
100	100	Sprint	0.40	2.0	10.0	50	45	46	+1
100	100	WorldCom	0.20	1.0	8.0	30	25	26	+1
100	100	Qwest	0.10	0.5	6.0	20	15	16	+1
100	100	Southwest	0.05	0.25	5.0	15	10	11	+1
100	100	Delta	0.02	0.1	4.0	10	5	6	+1
100	100	American	0.01	0.05	3.0	5	2	3	+1
100	100	JetBlue	0.00	0.00	2.0	2	1	2	+1

12 Month High	Low	Stock	Div	Yld	PE	52 High	Low	Latest	Chg
100	100	Boeing	1.50	3.0	12.0	70	65	66	+1
100	100	Lockheed	1.00	2.0	10.0	50	45	46	+1
100	100	Northrop	0.50	1.0	8.0	30	25	26	+1
100	100	Raytheon	0.25	0.5	6.0	20	15	16	+1
100	100	Boeing	0.10	0.2	5.0	15	10	11	+1
100	100	Lockheed	0.05	0.1	4.0	10	5	6	+1
100	100	Northrop	0.02	0.05	3.0	5	2	3	+1
100	100	Raytheon	0.01	0.02	2.0	2	1	2	+1

NYSE Highs

Stock	High	Stock	High	Stock	High
ADT	100	AMC	100	Alcoa	100
Alcoa	100	Allegiant	100	Allegiant	100
Allegiant	100	Allegiant	100	Allegiant	100
Allegiant	100	Allegiant	100	Allegiant	100
Allegiant	100	Allegiant	100	Allegiant	100
Allegiant	100	Allegiant	100	Allegiant	100
Allegiant	100	Allegiant	100	Allegiant	100
Allegiant	100	Allegiant	100	Allegiant	100
Allegiant	100	Allegiant	100	Allegiant	100

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On May 19th, the IHT will publish an advertising section on Telecommunications

Among the topics to be covered are:

- Technological breakthroughs including the latest in switching and digital equipment
- Multimedia networks that can carry voice, data and video directly to the consumer
- Prospects for satellite and cable systems linking Asia/Pacific countries
- Financing telecom growth in the 1990s
- The effect of the EC's Directive on Competition in the Markets for Telecom Services

This section coincides with Asia Telecom '93 in Singapore. For advertising information, please contact Juanita Caspari in Paris at: (33-1) 46 37 93 76.

PACIFIC GOLD FUND

Dividend Distribution

NOTICE is hereby given that the Managers of the above Unit Trust have decided to pay a dividend of US\$0.17 per unit payable on 16 April 1993 to Unitholders whose names appear on the Register of Unitholders on 30 March 1993 in respect of Units held by them on 30 March 1993.

Holders of Bearer Units should send Coupon No.6 to the specified offices of any of the Paying Agents listed in the Explanatory Memorandum. Holders of Bearer Units in Hong Kong should send Coupon no.6 to Indosuez Asia Investment Services Limited at Suite 2606-8, One Exchange Square, 8 Connaught Place, Central, Hong Kong.

Holders of Bearer Units who wish their dividends to be reinvested in units in the above Unit Trust Fund should notify Indosuez Asia Investment Services Limited at the above address on or before 1 April 1993 in order to qualify for the issue price applicable on 1 April 1993 valuation, as published on 3 April 1993. Those who notify after 1 April 1993 should note that the issue price then applicable could be higher or lower than the issue price applicable on 1 April 1993 valuation.

By order of
Indosuez Asia Investment Services Limited
The Managers
Banque Indosuez Luxembourg
The Trustee

12 March 1993

ASIAN INCOME FUND

Dividend Distribution

NOTICE is hereby given that the Managers of the above Unit Trust have decided to pay a dividend of US \$0.36 per unit payable on 16 April 1993 to Unitholders whose names appear on the Register of Unitholders on 30 March 1993 in respect of Units held by them on 30 March 1993.

Holders of Bearer Units should send Coupon No.6 to the specified offices of any of the Paying Agents listed in the Explanatory Memorandum. Holders of Bearer Units in Hong Kong should send Coupon no.6 to Indosuez Asia Investment Services Limited at Suite 2606-8, One Exchange Square, 8 Connaught Place, Central, Hong Kong.

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By order of
Indosuez Asia Investment Services Limited
The Managers
Banque Indosuez Luxembourg
The Trustee

12 March 1993

PRIMERICA: Stock Looks Like a Winner, With or Without Shearson

(Continued from first page)

kers or branch offices might be cut from a combined Shearson and Smith Barney. But they have made it known that they especially want to acquire Shearson's modern, but underused, communications and computer operations. By merging the back-office chores of both brokerage houses, they expect that average costs will be cut significantly.

Apart from merger-related savings, industry analysts said significant cost reductions could be made at Shearson.

Other financial companies have been able to cut expenses by 5 percent to 10 percent without mergers. Citicorp, for example, reduced its noninterest expenses to \$10 billion

last year from \$11 billion in 1991, and American Express is aiming for cost cuts in its charge-card business of 10 percent.

Indeed, executives of American Express were expecting cuts of that magnitude in the combined Shearson Lehman Brothers company before they started talking about selling the Shearson part of the business. (Under the proposed deal with Primerica, American Express would retain Lehman Brothers, which specializes in corporate finance.)

At Smith Barney, Mr. Weill has been able to cut expenses by 5 percent in 1992, for a total of 2,400, without taking on the burden of inexperienced or nonproductive staff.

Each Smith Barney broker's average production — primarily sales commissions — increased from \$187,000 in 1988 to \$302,000 in 1992, a level that was about 6 percent higher than the Shearson average.

Fixed expenses as a percentage of gross commissions and other revenues have fallen to 21 percent in 1992 from 30 percent in 1988. Put another way, as commissions and other revenues produced by brokers grew by 87 percent, fixed expenses rose only 31 percent.

Apart from the benefits of the Shearson purchase, Primerica offered investors more diversity than they could normally find in a securities firm. In addition to a 1992 profit of \$170 million at its Smith

Barney subsidiary, which concentrates on high-income households, Primerica's Commercial Credit subsidiary earned \$193.5 million from a consumer-lending business conducted through 695 offices, which serve low- and middle-income families.

Primerica's insurance business, which specializes in selling term life insurance to middle-income families, earned \$187.3 million last year. The insurance company advises families to save their money by buying low-cost term life policies rather than more expensive life insurance products, and invest the savings in mutual funds offered by another Primerica subsidiary, American Capital Management & Research.

NASDAQ

Thursday's Prices
NASDAQ prices as of 4 p.m. New York time. This list compiled by the AP, consists of the 1,000 most traded securities in terms of dollar value. It is updated twice a year.

12 Month High Low Stock Div Yld PE Ratio High Low Last Chg

12 Month High	12 Month Low	Stock	Div	Yld	PE Ratio	High	Low	Last	Chg
110	100	AAVE	0.00	0.00	10.00	105	100	105	5
100	90	AAOI	0.00	0.00	10.00	100	90	100	10
90	80	AAON	0.00	0.00	10.00	95	80	95	15
80	70	AAOI	0.00	0.00	10.00	85	70	85	15
70	60	AAOI	0.00	0.00	10.00	75	60	75	15

12 Month High	12 Month Low	Stock	Div	Yld	PE Ratio	High	Low	Last	Chg
100	90	AAOI	0.00	0.00	10.00	100	90	100	10
90	80	AAON	0.00	0.00	10.00	95	80	95	15
80	70	AAOI	0.00	0.00	10.00	85	70	85	15
70	60	AAOI	0.00	0.00	10.00	75	60	75	15

Step Market and Yuan

AMEX

Thursday's Closing
Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

12 Month High Low Stock Div Yld PE Ratio High Low Last Chg

12 Month High	12 Month Low	Stock	Div	Yld	PE Ratio	High	Low	Last	Chg
100	90	AAOI	0.00	0.00	10.00	100	90	100	10
90	80	AAON	0.00	0.00	10.00	95	80	95	15
80	70	AAOI	0.00	0.00	10.00	85	70	85	15
70	60	AAOI	0.00	0.00	10.00	75	60	75	15

12 Month High Low Stock Div Yld PE Ratio High Low Last Chg

12 Month High	12 Month Low	Stock	Div	Yld	PE Ratio	High	Low	Last	Chg
100	90	AAOI	0.00	0.00	10.00	100	90	100	10
90	80	AAON	0.00	0.00	10.00	95	80	95	15
80	70	AAOI	0.00	0.00	10.00	85	70	85	15
70	60	AAOI	0.00	0.00	10.00	75	60	75	15

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100	90	AAOI	0.00	0.00	10.00	100	90	100	10
90	80	AAON	0.00	0.00	10.00	95	80	95	15
80	70	AAOI	0.00	0.00	10.00	85	70	85	15
70	60	AAOI	0.00	0.00	10.00	75	60	75	15

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90	80	AAON	0.00	0.00	10.00	95	80	95	15
80	70	AAOI	0.00	0.00	10.00	85	70	85	15
70	60	AAOI	0.00	0.00	10.00	75	60	75	15

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90	80	AAON	0.00	0.00	10.00	95	80	95	15
80	70	AAOI	0.00	0.00	10.00	85	70	85	15
70	60	AAOI	0.00	0.00	10.00	75	60	75	15

12 Month High Low Stock Div Yld PE Ratio High Low Last Chg

12 Month High	12 Month Low	Stock	Div	Yld	PE Ratio	High	Low	Last	Chg
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90	80	AAON	0.00	0.00	10.00	95	80	95	15
80	70	AAOI	0.00	0.00	10.00	85	70	85	15
70	60	AAOI	0.00	0.00	10.00	75	60	75	15

12 Month High Low Stock Div Yld PE Ratio High Low Last Chg

12 Month High	12 Month Low	Stock	Div	Yld	PE Ratio	High	Low	Last	Chg
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90	80	AAON	0.00	0.00	10.00	95	80	95	15
80	70	AAOI	0.00	0.00	10.00	85	70	85	15
70	60	AAOI	0.00	0.00	10.00	75	60	75	15

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90	80	AAON	0.00	0.00	10.00	95	80	95	15
80	70	AAOI	0.00	0.00	10.00	85	70	85	15
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90	80	AAON	0.00	0.00	10.00	95	80	95	15
80	70	AAOI	0.00	0.00	10.00	85	70	85	15
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80	70	AAOI	0.00	0.00	10.00	85	70	85	15
70	60	AAOI	0.00	0.00	10.00	75	60	75	15

Handwritten text: 12/20/92

China Steps Into Market To Aid Yuan

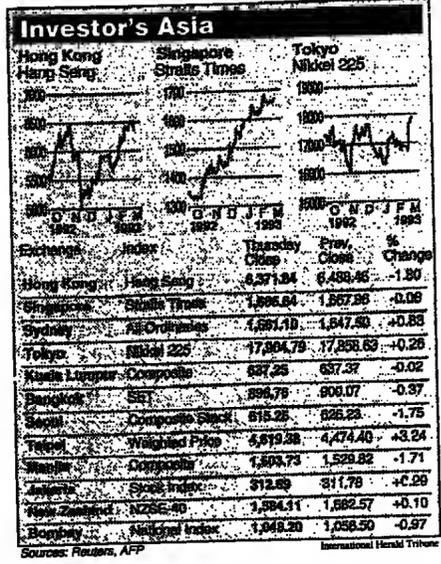
BEIJING — China said Thursday it had been intervening in its semi-official currency swap markets to stem a decline in the yuan, abandoning an earlier hands-off policy. A 40 percent drop in the yuan's value against the dollar this year has made it hard for companies to pay for capital and imported materials. China's foreign debt has also become heavier as a result. Yang Gonglin of the State Administration of Foreign-Exchange Control was quoted as saying by the official Xinhua news agency...

Wall Street Takes China Road U.S. Firms' Strategy: Expand in Hong Kong

TOKYO — Lured by a vision of riches in Hong Kong, Morgan Stanley Japan Ltd. and Salomon Brothers Asia are making major moves to bolster their offices in the territory. Even as the companies pare back their Tokyo operations to cope with Japan's severe economic slump, both are expanding their trading and investment-banking operations in Hong Kong. In the past several weeks, the two brokerage concerns have acquired seats on the Hong Kong Stock Exchange. The companies are also displaying top talent to exploit Hong Kong's booming capital markets. Morgan is moving its seven-member fixed-income department to Hong Kong, and Salomon Brothers has hired top Asia hands away from other companies...

Compass Air Fails For the 2d Time

BRISBANE, Australia — Compass Airlines, resurrected just last summer, has failed for the second time and is to be liquidated, its parent company said Thursday. Southern Cross Compass Airlines Holdings Ltd. said the small carrier, No. 3 in Australia behind Qantas Airways' Australian Airlines and Ansett Airlines, ceased flying. As Richard Barber, its receiver, lodged an application for Compass's liquidation, the Southern Cross deputy chairman, Douglas Edward Reid, was appearing in the Melbourne Magistrates' Court, charged with making false statements to the company's board. It was Mr. Reid's responsibility to come up with a 9.2 million Australian dollar (\$6.5 million) funding package promised in the Southern Cross prospectus. When that failed to materialize on March 3, Southern Cross sought suspension of trading on the Australian Stock Exchange, resulting in Mr. Barber's appointment the next day as receiver-manager. He was given a week to come up with the required financing, but was unable to do so. Judge John Dowson granted the liquidation application, commenting there was no dispute that such a move was necessary. He had been told the airline had millions of dollars in debts, including 3.7 million dollars owed to the Civil Aviation Authority. In December 1991, Compass Airlines, then owned by Compass Holdings Ltd., went into receivership after less than 12 months in the air. Its demise largely was the result of an airframe war with the established domestic carriers. Six months later, Southern Cross Airlines was created to buy the



Very briefly: Nissan Motor Co. said it would set up a joint venture with a Chinese commercial-vehicle maker, Zhengzhou Light Truck Factory, and others to make and sell commercial vehicles in China. Capcom Co., the creator of the hit videogame "Street Fighter II," has signed a deal with Sega Enterprises Ltd. to develop software compatible with its machines as well as those of Nintendo Co. Northwest Airlines, a unit of NWA Inc., faces sanctions from Japan if it continues to violate rules set by Tokyo on extending its New York-Osaka route to Sydney, a Japanese Transport Ministry official said. The Export-Import Bank of Japan said it had signed an agreement to offer united loans worth up to 42.8 billion yen (\$366 million) to the Philippine government and the Development Bank of the Philippines. Japan External Trade Organization, a semi-government body, will open an office in Hanoi as early as October to promote economic exchanges. AFP, Reuters

ADVERTISMENT INTERNATIONAL FUNDS March 11, 1993. A large table listing various international funds with columns for fund name, ticker, and price. Includes sections for EQUITY INVESTMENT, BOND INVESTMENT, and SPECIAL INVESTMENT.

For information on how to list your fund, fax Simon OSBORN on (33-1) 46 37 21 33.

SPORTS SOCCER

U.S., England and Russia Gain Youth Quarterfinals

The Associated Press

SYDNEY — Brazil and Ghana fizzled, England and Mexico struggled, but all four won Thursday night to advance to the quarterfinals of soccer's World Youth Championships.

They joined the host nation, Australia, plus Russia, Uruguay and the United States in the last eight of the 16-nation tournament.

The two-time champions from Brazil outplayed Norway, 2-0, finishing on top of Group D ahead of Mexico, which rallied to defeat Saudi Arabia, 2-1.

African champion Ghana crushed defending titans Portugal, 2-0, and finished second in Group B behind Uruguay, which beat Germany, 2-1.

England scrambled past Turkey, 1-0, finishing unbeaten on top of Group D, while the United States advanced with a 2-2 draw against South Korea.

Russia downed Colombia, 3-1, to leapfrog ahead of Australia in Group A after it went down, 2-0, to previously winless Cameroon.

The quarterfinals will pit Russia against Ghana in Sydney and Uruguay against Australia in Brisbane on Saturday. Brazil will face the United States in Adelaide on Sunday, while England plays Mexico in Melbourne.

The Brazilians will be favored against the United States, which lived dangerously against the speedy South Koreans and trailed, 1-2, until Kerem Zavanagin scored the equalizer with only 12 minutes remaining.

Russia's rugged 3-1 victory over Colombia left it and England as the only European survivors.

Russia's goals came from an Alexander Karataiev penalty kick and shots by Dmitri Ananko and Alexei Savchenko. Karataiev was sent off in the second half and will miss the quarterfinal.

Striker Julian Joachim scored for England in the 12th minute against European champion Turkey, which failed on a late penalty when Ilhami Arslan scooped his shot over the crossbar.

Ghana was superb against Portugal, which lost all three of its matches in a tournament it hoped to win for the third straight time.

Star striker Nii Lamptey and teammate C.K. Akomonor scored first-half goals, with each assisting on the other's goal.

Uruguay was impressive against Germany, but in the quarterfinals will be without scorer Luis Lopez, who was sent off.

The semifinals will be played March 17, with the final set for March 20.

Usova-Zhulin Lead Dancers, Canadians Win Pairs Title

The Associated Press

PRAGUE — Maia Usova and Alexander Zhulin led three Russian couples into the top positions Thursday after the original dance at the World Figure Skating Championships.

The ice dance competition ends Friday with the free program, worth 50 percent of the final score. Usova and Zhulin, in a class above the rest of the competition, seemed sure to win the title barring a mishap.

Oksana Grischuk and Evgeni Platov were second after the original dance, during which all couples do variations on the Viennese Waltz.

The third Russian couple, Angelika Krylova and Vladimir Fedorov, moved into third ahead of Susanna Rahkamo and Petri Kokko of Finland.

Isabelle Brasseur and Lloyd Eisler of Canada held onto their lead and won the pairs competition at the championships Wednesday night.

Mandy Watson and Ingo Steuer of Germany were second, with Evgenia Shishkova and Vadim Naurin of Russia third.

Radka Kovarikova and Rene Novotny of the Czech Republic were fourth, ahead of Jenni Meno and Todd Sand of the United States.

SIDELINES

Norway's Olympic Piste Is Criticized

HAFJELL, Norway (Reuters) — Kerrie Lee-Gartner of Canada, the reigning Olympic downhill champion, and several top women skiers on Thursday criticized the downhill course for the 1994 Lillehammer Olympics because it was too easy.

Lee-Gartner, Germany's Katja Seizinger and others, training for World Cup races this weekend, said the Hafjell downhill piste was too flat, favored gliders too much and had almost no jumps.

Some said they might boycott a final day of training on Friday in a bid to encourage organizers to move the downhill to the steeper and more demanding men's piste up the valley at Kvitfjell.

The controversial men's downhill in Aspen, Colorado, canceled last Saturday, will be held in Kvitfjell the day after the previously scheduled downhill on March 19, FIS said.

A Post-Party Headache at Wisconsin

MADISON, Wisconsin (AP) — What police thought was burglary at a campus tavern led to an after-hours party, and that led to the University of Wisconsin's team having six players suspended for Friday's opening match of the Western Collegiate Hockey Association playoffs.

Police entered the tavern with guns drawn early Monday after seeing two people sneak into the bar, a police report said. Inside, the officers reported, a party was in progress after the tavern's closing time and long after curfew time of 11 P.M. for the players.

For the Record

Serve Ballesteros, a four-time winner of golf's major tournaments, withdrew Thursday from the Balleares Open after shooting a 79 that he said was the result of constant back pain. (AP)

Rock Newman, the manager of heavyweight champion Riddick Bowe, and Bernard Brooks Jr., a member of Bowe's entourage, had an April 7 trial date set in Las Vegas on misdemeanor battery charges stemming from the beating of a photographer after Bowe won the title from Evander Holyfield. (AP)

The Minnesota North Stars and the Dallas city council announced that the NHL club will play in Texas starting with the 1993-94 season. (AP)

\$43.75 Million Man Homers for Giants



Bo Jackson played well enough that the White Sox extended the deadline on whether to keep him.

The Associated Press

The \$43.75 million man has hit his first home run for the San Francisco Giants.

Barry Bonds drove a bases-empty shot over the right field fence in the third inning, off a pitch from right-hander Erik Hanson, to give the Giants a 2-1 lead Wednesday as they beat the winless Seattle Mariners, 9-1.

Bonds tied his spring training average to .364.

A few miles away, the Oakland Athletics' general manager, Sandy Alderson, said he is looking into trade possibilities for Rickey Henderson, the perennially disgruntled outfielder.

"We're in the process of contacting them all," Alderson said. "It's a process we've gone through before with Rickey at his request."

Alderson said the Athletics have attempted to trade Henderson each of the last two years. Henderson will make \$3 million in 1993, the final season of a \$12 million, four-year deal.

"It's obvious most clubs — including ours — consider attitude as important as ability," Alderson said in Phoenix. "His attitude is getting in the way of his ability. We've been willing to take less for a long time."

The general manager of the Chicago White Sox, Ron Schuler, said Thursday in Winter Haven, Flori-

da, that the club had extended the deadline to March 25 on whether to pick up the option on Bo Jackson's contract.

The contract called for the White Sox to decide by Monday whether to pick up the option, which would guarantee Jackson \$910,000 and offer another \$1.5 million in incentives, or buy him out for \$150,000.

Jackson, trying to make a comeback with an artificial left hip, has been hobbled by a sore right hamstring this spring. He has hit well, going 5 for 15 in four exhibition games, including two long doubles Wednesday against the Indians.

Glenn Davis made his spring training debut for the Baltimore Orioles in St. Petersburg, Florida, with a single in his only at-bat and a run scored in a 3-1 victory over Pittsburgh. Davis has played in only 155 games over the last two seasons because of injuries.

In Fort Myers, Dave Winfield dropped a routine throw in the first inning but hit a two-run double in the eighth as the Minnesota Twins beat the Boston Red Sox, 6-2.

"It ended up all right," said Winfield, making his second spring start at first base. "It started off a little frightening. It hit me in a bad place, the hands."

Following the game, the Twins' manager, Tom Kelly, took Winfield, an outfielder throughout his career, to a practice field next to the stadium for instruction on how to play first base.

"You have to take your bat off to the guy," Kelly said of Winfield. "Forty-one years old..."

Kevin Mitchell, acquired in an offseason trade with Seattle, homered in his first at-bat for Cincinnati as the Reds routed the Houston Astros, 14-5, in Plant City, Florida.

Mitchell arrived at spring training camp five days after the voluntary reporting date because of personal reasons. In his only other plate appearance, he walked in the third.

SCOREBOARD

BASKETBALL

NBA Standings

EASTERN CONFERENCE Atlantic Division				
W	L	Pct	GB	
New York	40	18	69%	—
New Jersey	34	25	57%	4 1/2
Boston	32	29	52%	7 1/2
Philadelphia	29	32	48%	10 1/2
Orlando	24	37	39%	15 1/2
Washington	20	41	33%	19 1/2

HOCKEY

NHL Standings

WALE CONFERENCE Patrick Division			
W	L	T	Pts
Pittsburgh	25	26	72
Washington	25	26	72
New Jersey	22	22	62
NY Islanders	22	22	58
Philadelphia	22	22	54

BASEBALL

Major College Scores

Indiana 79, Michigan 65	Arizona 14, Stanford 12
UCLA 44, USC 33	Georgia 12, Florida 11
North Carolina 27, Duke 27	Wake Forest 17, Virginia 17
Stanford 12, UCLA 12	Arizona 14, Stanford 12

AC Milan? A Loser?

Rome — Lazio had hope Thursday for its league match Sunday against AC Milan.

After watching after the runaway league leader's 2-0 loss to Roma in an Italian Cup semifinal, Lazio's president, Sergio Cragnotti, said, "The truth is that Lazio has shown us all that Milan are not unbeatable."

Milan last lost a cup match 11 months ago, but its unbeaten league record stretches over two seasons and 57 matches.

Milan's team Sunday remain uncertain, with Marco Van Basten, Frank Rijkaard, Demetrio Albertini, Mauro Tassotti, Roberto Donadoni and goalkeeper Francesco Antonioli and Sebastiano Rossi all injured.

Ruud Gulit won't be playing, won't play, and presumably will be replaced by Dejan Savicevic, who will play alongside Zvonimir Boban and Jean-Pierre Papin.

Lazio will be without defenders Luca Luzardi and Luigi Corino and striker Karl-Heinz Riedle, all serving one-match suspensions. But Paul Gascoigne, back from a suspension, will replace Riedle.

San Marino also made history — with its first point ever in World Cup qualifying — as it held Turkey to a 0-0 draw in Group 2 match.

BASEBALL

EXHIBITION GAMES

Cleveland 26, Chicago White Sox 4	St. Louis 14, Houston 5
Los Angeles 6, Kansas City 1	Philadelphia 6, New York 3
Tampa 4, St. Louis 3	Oakland 10, St. San Diego 3

SOCCER

YOUTH CHAMPIONSHIP

Russia 3, Colombia 1	Australia 2, Cameroon 2
Germany 1, Uruguay 2	Ukraine 2, Portugal 0
England 3, Turkey 0	South Korea 2, United States 2

CAMPBELL CONFERENCE

W	L	T	Pts
Chicago	27	21	84
Detroit	24	25	75
Toronto	25	24	77
Minnesota	22	27	69
St. Louis	20	28	63
Tampa Bay	21	27	63

INTERNATIONAL FRIENDLY

USA 2, Greece 1	France 1, Denmark 0
Italy 1, Korea 1	Spain 1, Mexico 1

TRANSACTIONS

BASEBALL

MILWAUKEE — Reached San Francisco for a conditional release.

SEATTLE — Reached Seattle, Wash., to be in camp of the Pacific Coast League.

ST. LOUIS — Reached St. Louis to be in camp of the Cardinals.

ST. LOUIS — Reached St. Louis to be in camp of the Cardinals.

DENNIS THE MENACE



DEPT. OF THE ARMY

JUMBLE

THAT SCRAMBLED WORD GAME

DEPT. OF THE ARMY

WARRBL

WALCOL

RYSSER

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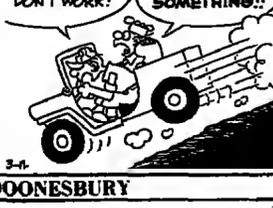
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SPORTS BASKETBALL



WHAT HAPPENED? — Vlade Divac was run over by the Knicks' Doc Rivers while the Lakers were being trampled, 110-104. Only three three-point shots in the last 25 seconds got the Lakers that close as their eight-game winning streak in Madison Square Garden ended.

Europe Badly Needs Super League In Munich, the Future of Basketball Is to Be Discussed

By Ian Thomsen

PARIS — The problem with European basketball is that few understand what it could be, or what it should be. Right now it looks to all the world like Larry Bird did 25 years ago: A slow, pale kid with a hard accent and no future worth the investment.

In Munich this weekend they will be discussing the future of their sport in Europe. They can decide, after all, to maintain their multi-headed system of European tournaments and domestic leagues and national cup competitions.

The alternative offered by FIBA, the world basketball association, is to create a continental super league in 1995-96. Only the best European clubs — up to 24 of them — would belong. No longer would they be bogged down by pointless games against their lesser domestic rivals. Instead, the elite would play the National Basketball Association, eight after night, the best against the best, and one day — don't laugh — the top European clubs would be able to brag that they are the equals of some NBA teams.

Basketball is popular in Europe, but only American basketball. A recent poll of French boys, aged 12 to 18, found that American basketball was their second-favorite sport, at 22 percent, behind the 26 percent devoted to soccer. Their favorite athletes, astonishingly, were Michael Jordan and Magic Johnson, at 31 and 16 percent, respectively. A distant third, at 14 percent, was the French soccer star, Jean Pierre Papin.

It's FIBA's mission to place a European basketball player among this top 10, and soon — before the continent becomes merely a training ground for the NBA.

Examine the death of European hockey. This season there are 103 European-born players in the National Hockey League, more than were born in America (101). This is a North American sport, developed by Canada, with 17 clubs based in the United States. Of the NHL's 24 first-round draft choices last year, 11 were Europeans, including the first two picks overall.

Given the adulation of Jordan and Johnson, Europe surely is capable of producing as many world-class players for basketball as it does for hockey. Surely, too, Europe wants to profit from those players, rather than simply exporting them for a one-time-only fee to the NBA.

As it stands now, the European system only flops the pride of its native stars. If there is little respect given by Americans to European basketball, it's because someone like Toni Kukoc, Europe's best player, is seen as cleaning up against weak teams. He is forced to play in Italian league games, Italian cup games and European cup games, as well as international games for Croatia — as many as 120 games a year. It is exactly like forcing Jordan to play against opponents from the NBA, college, and sometimes even high schools. Kukoc's coach at Benetton Treviso admits this schedule demands the best effort from Kukoc only 60 percent of the time.

SO NOW KUKOC is 24 years old. The Chicago Bulls are hungry for him. It's clear that he would prefer to stay in Europe, but what more can be accomplished here? He cannot, by example, raise the level of play in Europe, as Johnson and Bird did for the NBA a decade ago, because the varying levels of basketball in Europe are bogging him down like a swamp.

His choices: 1) To remain in Europe for a large salary while sacrificing all hope of improving professionally, and for that he can doubt himself for the rest of his life, or 2) to take a massive risk and jump to the NBA, where the cultural changes alone might ruin him.

A player of his caliber is worthy of another option. Keep him and the others like him in Europe, and build a league around them. Don't hire stiff-kneed former stars of the NBA to be your heroes. Anoint Toni Kukoc your hero, and make him play hard all season long. Adults will pay to watch him, and kids will emulate him.

THE LARGE FEDERATIONS in Italy, Spain and France might worry this weekend that the new league will rob them of their marquee teams, abandoning the remaining clubs to a hopeless minor-league existence. If that is their argument against a super league, then it simply betrays their lack of faith in the game itself. If the game is to grow in Europe, then the lesser clubs must be seen as something more than an end to themselves. They must become part of the grander system that develops great players.

Until the mid-1940s, when the present NBA was formed, the best basketball in America was played at the colleges. In the last decade the popularity of the NBA has exceeded that of the National Collegiate Athletic Assn., and yet college basketball is more successful than ever. The growth of the NBA only helped make the college game more popular. As the super league became more popular throughout Europe, so too would more fans turn out for games at the smaller clubs, wondering — as American college fans do — whether any of their local players might someday move up to the big league.

FIBA's goal is to make basketball the world's most popular game. As the federations meet this weekend, they must decide whether they are devoted to the growth of the game or to their own businesses. If their devotion is to the game, then it will pay off in enormous television rights, licensing fees and marketable superstars in the future. If they are concerned only with assuring their profit today, then they have comparatively little future at all.

Eurosport TV Will Increase U.S. Coverage

LONDON — The restructured Eurosport TV satellite and cable channel announced plans Thursday to increase its coverage of U.S. sports by showing live Indy car races as well as pro basketball, football and hockey games.

A Eurosport spokesman, Alan Hart, said the events will be screened across the continent to some 40 million homes in 30 countries, including eastern Europe.

Before Eurosport merged with the European Sports Network, TESN, it screened only college basketball and occasional boxing from the United States.

But TESN includes the now closed-down Screensport and the merged network has gained the coverage of the cable company ESPN provided from the United States.

The change will mean eight hours of live or tape-delayed U.S. sports on Eurosport every week, or 8 percent of its total coverage.

The coverage will include one game a week from the National Football League, the National Hockey League and the National Basketball Association.

"We will also have extensive live coverage of Indy car racing, covering 16 races starting March 21," said Eurosport's program director, Daniel Pautral.

"It's not only because Nigel Mansell," last year's Formula One world champion, "is taking part," he said, "Indy car is growing in importance in Europe while Formula One is staying the same."

Hart said Eurosport, which provided 24-hour coverage of both the Winter and Summer Olympics last year, will continue to extensively cover European soccer. Coverage will also include 30 major tennis tournaments from around the world, live Davis Cup action, 25 golf tournaments and the Ryder Cup, 11 track meets and nine marathons and the world cycling championships in Norway.

Owners of the Formula One grand prix track in Silverstone, England, are considering adding an oval circuit for U.S. Indy cars.

Agence France-Press reported, Silverstone's director, Tom Barnard, said that work on an oval in the middle of the existing track could start next year.

England's other main track, Donington Park, has said it is considering staging Indy car races.

The Second Magic Johnson? Memphis State Junior Called 'Best Player in America'

By Steve Berkowitz

WASHINGTON Post Service

MEMPHIS, Tennessee — Indiana's Calbert Cheaney, Kentucky's Jamal Mashburn, Duke's Grant Hill or Michigan's Chris Webber. Their names are well known, all mentioned when the conversation is about the best college basketball players in the United States.

Then there is Memphis State's Antwan Hardaway, whom Cincinnati's coach, Bob Huggins, sees as a regular basis in the Great Midwest Conference and matter of factly calls "the best player in America."

"He can do more things better than anyone in the country — he can score, rebound, pass, and he can really sit down and guard you," said Huggins, a practitioner of serious defense who goes a seemingly heretical step further when talking about Hardaway. Huggins says that any National Basketball Association team that fails to select Hardaway will end up feeling the same way the Portland Trail Blazers do about selecting Sam Bowie over Michael Jordan in 1984.

A 6-foot-7-inch, (2-meter) 200-pound (90-kilogram) junior, Hardaway defies categorization by position. Seen by NBA scouts as a point guard, he has played all five positions this season. The comparisons to another NBA great, Magic Johnson, are irresistible. Tall point guards just don't come along that often. Hardaway understands, and he doesn't shy away.

"I love Magic to death, and he's one of my idols, but I think I can be better than Magic," he said. "I feel that I can do some things better than he was doing them" in college. "But I'm not a boastful person. I'm not going to say I'm better than he is because he's done things that I want to do. He's won championships at every level and that's something I haven't done."

But Hardaway has ended this regular season first in the six-team Great Midwest in scoring (22.8 points per game) and rebounding (8.7), second in assists (6.7) and steals (2.2), and third in blocked shots (1.3). He has a unique combination of career-bests: 37 points,

Rodman Again Suspended by NBA Pistons

The Associated Press

AUBURN HILLS, Michigan — Troubled Dennis Rodman has been suspended for one game for chronic violations of team policy and for failing to tell the Detroit Pistons he would miss a practice, a club spokesman said.

Rodman, who is leading the NBA with 19 rebounds per game, would not play in Thursday's home game against the Denver Nuggets, said the team spokesman, Dave Wieme.

Wieme wouldn't elaborate on what other violations the forward is accused of, but he said Rodman failed to tell the team that he wouldn't be at Wednesday's practice.

Rodman could be suspended for one game, but the team's contract says he would be suspended for two games if he missed more than two practices.

The one-game suspension will cost Rodman about \$28,000 of his \$2.3 million annual contract. But without him they are 3-16. The Pistons are 22-17 when he plays.

Holy Cross and Delaware Win And Head for NCAA Tourney

The Associated Press

Add Holy Cross and Delaware to the NCAA mix. Add Bucknell and Drexel to the heap of NIT hopefuls.

Two more automatic berths to the NCAA tournament were won Wednesday night, with Delaware edging Drexel in the North Atlantic Conference final and Holy Cross trouncing Bucknell in the Patriot League tournament championship game.

Holy Cross will be making its first appearance since 1980; Delaware is going back for the second year in a row.

Seventeen teams have received automatic bids so far, with another 14 automatic bids yet to be decided.

Delaware beat Drexel, 67-64, after both teams had several chances to take control of the North Atlantic Conference game in Philadelphia. Drexel, which can only hope to go to the NIT, committed four turnovers in the final 28 seconds and Delaware missed four foul shots in the same span.

The game-winning points were scored by Anthony Wright after Kevin Blackhurst stole the ball for Delaware (22-7).

"The Drexel player went up for the shot, got caught in the air and couldn't get a shot off," Blackhurst said. "Fortunately, I was able to get the ball and feed Wright."

After a quick turnover by Drexel (22-7), Brian Pearl missed a 3-point shot with eight seconds left. Another turnover followed, but Blackhurst missed two foul shots with two seconds to go.

Drexel then called a timeout that it did not have, and Pearl's foul shot with one second to go scored the game's final point.

Holy Cross (23-6), Bucknell (73-49) and Delaware (23-6) tied for the first half to build a 50-33 halftime lead in Lewisburg, Pennsylvania, and went ahead by as much as 20 in the second half.

No. 2 Indiana 99, Michigan State 68; Greg Graham tied a career-high with 32 points in his final home game for the Hoosiers (27-3, 16-1 Big Ten). He made his first four shots and was 11 of 16 for the game as Indiana assured itself of the Big Ten title.

The Spartans (14-12, 6-11) dropped their fifth straight game and perhaps any chance of a post-season bid.

No. 3 Michigan 98, Illinois 97; Jalen Rose scored 23 points and Jimmy King had seven in overtime as Michigan escaped a barrage of 3-point baskets in Illinois.

Chris Webber scored 22 points for the Wolverines (27-4 overall, 14-3 Big Ten, Illinois (18-11, 11-6) got 27 points from Andy Kaufmann.

No. 17 Iowa 91, Wisconsin 65; Ake Earl scored a career-high 36 points and grabbed 10 rebounds for host Iowa (21-8, 10-7 Big Ten). After Wisconsin (14-12, 7-10) closed to 58-50, the Hawkeyes went on a 33-15 run to close out the game.

To our readers in Budapest: Herd, delivery of the IHT is now available on the day of publication. Call today: 175-7735

The Million-Dollar, 1 Shot: All's Well Except the Coach

The Associated Press

NEW YORK — Dave Cowens, a Hall of Fame center, never quite accepted the concept of basketball's 3-point shot.

"I get to shoot hook shots against jabbar with guys pushing me and I get two points," he said. "They stand out there by themselves and get three."

Because 3-pointers arrived at the end of Cowens' NBA career, he only tried 14, and made just one. "From the corner in the dome in Detroit," he said proudly.

Now 1-for-14, an 0.71 career percentage, is a less-than terrific endorsement for coaching 3-pointers. But Bobby Shriver, a pipe fitter from Beaufort, North Carolina, is hardly in a position to pick and choose. "Any help at this point is greatly appreciated," he said.

Shriver, winner of a sweepstakes, will be taking one 3-point shot in April at halftime of the Coaches All-Star Game at the NCAA tournament in New Orleans. Make it and he gets \$1 million.

Shriver learned he had won the Gillette sweepstakes and an instant \$25,000 payoff in August, but he didn't start practicing for his \$1 million 3-pointer until after the first of the year. "I waited till hunting season was over," he explained.

There are, after all, priorities. Once he got to work, though, he has done pretty well. There was a streak of seven from 20 feet (6 meters) in his backyard recently and another string of seven at Camp Lejeune, the Marine base where he works.

Coach Cowens has been emphasizing the basics. "He told me to focus, get everything else out of my mind, follow through, get my legs involved," Shriver said.

Shriver, 45, also has a strategy. He will take his one and only shot from the top of the key. "That way, if I overshoot, I have a chance of it banking in off the backboard," he said. "You've got to use every advantage."

But, he said, "I wish they'd got me 25 years ago. I was in better shape then."

When he shoots for \$1 million, there will be no warmup. One shot. So Shriver is practicing hard, encouraged by Cowens.

How does he look, coach? "He doesn't shoot like a basketball player," Cowens decided. "He shoots like a pipe fitter."

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OBSERVER

Aaaaaa-chooo!!!

By Russell Baker
NEW YORK — I have a code. Or, to state it orally, I hab a code.

Like all my codes, it is absolute-ly fascinating. Would you like to hear about it?

No, you say. I caddot hear you, because you are way out there getting your hands dirty with a newspaper page while I am way in here slodid with my word processor.

Still I know you are sayig. "No, we dote want to hear about your code. We want you telling us disugsting things about Serbs in Bosnia. Or scaring us wildess about terror bombings. Or writig something mead about Hiddary Cliddid."

To you I say, "Bah, hubbug." You dote want to hear about my code because you think it is dull like your code. You are hubbig. "So this guy has a code, and so what? Eddybody cad get a code and eddybody does three or four times a year."

Well let me ted you suphig else eddybody cad do two buddred times a year if he is a dewspaper coddumist. He cad ted you Bill Cliddid is a pridee among med, or he cad ted you Bill Cliddid just wote do.

That's whad dull is, my freeds. The reason you think my code is dull is because your owed persodal codes are dull. I know. You hab tried to ted me about theid id the past.

Add boy of th you, were those codes ub yours edder dull? I had to ted you to stub boing me to death about your codes, rebbeber? Rebbeber whad I tede you?

I said, "Eddybody gets a code now and thead, add it gets a week, add there's nothig eddybody cad do about it, so id the meadibe be good enough dot to bore me sidy width yours, please."

Mide are differnt frub eddybody ete's codes. I ab the one eddybody I know whose codes, as I stand to ted, are absolute-ly fascinatig. It is a fuddy thig, but whad I hab a code I want to ted people know about it so eddybody cad abbreviate the agody I ab sufferig, on account of my particular kide of code beeg so fascinatig.

It's a straydige thig about people. They refuse to consider the possibidty that one lone mad exists on this old earth whose codes are not as borg as eddybody ete's codes,

had this mad's codes are differnt from eddybody ete's, and that eddybody should therefore syppathize width this poor code victib.

Loved ones hab said to me, "Why should we feel soddy for your code sufferig? When we want-ed you to feel soddy for us, you said, 'Dote whide like a sissy over a liddle code. Grid add bear it, add next weeg id'll be all gawed.'"

Whad these loved ones dote realize is that my codes are extrebly interestig, nod ad all like the dull codes eddybody ete gets. My codes cause this reedy incredible sufferig.

This very buoment, for instance, middions of tidy liddle code gerbs hab assembled a ribbod of sead idside the top ub my skull add are ribbebig—soddy, I mead rivig—it to the braid.

Besides the steel around the braid, add this very buoment middions of other liddle code gerbs hab produced amazing heat in the neck region. They are tryig to ged my shirt dretched with berspiration. If they think I'm goig to stop and chayege idto a dry shirt, they hab another think comig.

You see, I am wise to their liddle scetebes. They think thad durig a chayege of shirt, I will lose my braid of thought, gib up this exposure of their amazig bicious bods operandi, add seadde for a routine coddum sayig Bill Cliddid is eddy a pridee among med or Bill Cliddid still wote do.

Do your worst, you fascinatig code gerbs, yed though you make my nose, eyes, ears and wisdom teeth rub by the gallod—

(Editor's Interruption: This column was cut short at this point when its author was found collapsed in paroxysms of self-pity. We have retained a freelance columnist to fill the space.)

Yes, ladies and gentlemen, you hab heard it before, and you will hear it again: Bill Clinton is a prince among men, whose heretofore unsuspected brilliance is utterly startling. Let us not forget, however, that the very unsuspectedness of this brilliance gives us every reason to fear that in the long haul, Bill Clinton simply will not do.

New York Times Service

Buffy Sainte-Marie, on the Road Again

By Mike Zwerin

PARIS—Buffy Sainte-Marie is back out in the Great White World of Show Business again, supporting her powerful new album "Coincidence and Likely Stories" (Ensign). There are two questions you want to ask her. How did a nice Native American girl like her get a preppy name like Buffy, and where's she been all these years?

Well, anachronistic or not, she's earned the Buffy with a Ph.D. in fine arts from the University of Massachusetts while we all thought she was retired. During that time, she also earned an Oscar for her song "Up Where We Belong," recorded by Joe Cocker and Jennifer Warnes, from the film "An Officer and a Gentleman." Now 52, she says: "To the general public, I may have been off the scene. I wasn't recording, but the Aborigines of Australia, the Sami people in Lapland and the Native Americans had no idea I was retired."

Starting out on the coffeehouse circuit in the '60s and '70s, she was your Taken Indian folk singer, with her songs of social consciousness and success and even one big hit, "Universal Soldier." But she was so green she sold the rights for a dollar. For godsakes, why?

What did she know? She did not have a professor or a music teacher for a father like Joan Baez and Judy Collins, her competition back then in what she calls her "beatnik days." Her family did not know one lawyer, not one person in show business. They were mechanics, gas station attendants and farmers in Massachusetts and Maine. She was the first person in her family to go to college, or to New York. She thought she'd go with her guitar for a week and wound up with a career. Sort of: "I was never a grande vedette, no competition for superstars. I was just known in certain places."

As she remembers it, her 15 minutes of fame was not such hot stuff. She had raw talent but it was minimally realized. She made records that were not properly promoted, she allowed producers and engineers to browbeat her, the wrong takes were released, her trademark rapid vibrato, out of control then, seems like a curse to her now that she has mastered it. She refuses to listen to her early records.

Then she stayed at home in Hawaii raising her son, traveling rarely and only to maintain contact with indigenous people around the globe. (Her son is now 16, playing keyboards and percussion with jazz and rock bands, more or less self-sufficient.) Turning her forced immobility to her advantage, she learned to program and write songs and film scores on a Bouclia, a Fairlight and now a Macintosh com-



With a computer, "you can invent your own sounds with no loss to the music."

puter. She considered herself a creative artist, out of show biz for a while, working at home. The line between technician and creator is fast breaking down with the latest computers, sound samplers and drum machines. Not generally known, Buffy was among the first to cross it.

In the '60s, she made an electronic vocal album called "Illuminations." Art students and Minimal musicians loved it, the public couldn't figure it out. Those were still the days when Les Paul and Mary Ford were considered musical witches for making multitrack records. And for many, the idea of music by computer still seems several steps away from the natural. As far as Buffy is concerned: "It allows me to

eliminate all sorts of middlemen between the creative process and its realization.

"I can work at home, not in some studio where I'm not allowed to touch the equipment and I have to pretend the engineer is smarter than I am. Computers are just like tape only better. They're more sophisticated, direct and faster. The music goes in without need of tape, you edit on the screen. With your home computer you have all the orchestral sounds and you can invent your own sounds with no loss to the music."

Self taught, she cannot read or write music. She believes musical notation to be on the way out, like some sort of medieval crutch for people who refuse to master technology. "I hear it in my head and play

PEOPLE

Rolling Stone Updated: A Family Life Magazine

That old Rolling Stone gathered no moss, just babies: Jam Wener, who founded the magazine that celebrated the counterculture 26 years ago, is now founding one this year titled "Family Life." It will be aimed at parents in their 30s and 40s. Nancy Evans, former president and publisher of Doubleday, will be the editor in chief. Now we know the theme for the '90s.

Vice President Al Gore will pay tribute to his environmental mentor, the late Rachel Carson, by writing an introduction to a new edition of her "Silent Spring," published in 1962. Gore says he was strongly influenced by Carson's book in developing his own interest in environmental issues.

Norman Lear, 70, creator of the TV series "All in the Family," will receive the Western Writers Guild of America's highest award for television writing on March 22 in Beverly Hills.

The country performer Louise Mandrell is marrying for the fourth time. Mandrell, 38, the younger sister of Barbara Mandrell, and John Haywood, 43, entertainment director at Opryland USA, will marry July 16. It will be his first marriage.

Bridget Fonda's career is taking off but she's not sure she wants all the hassles that accompany stardom. "Can you imagine if you're recognized that you have to be come a hermit? I would pray that never happens," the 29-year-old actress told a newspaper. She's the daughter of Peter Fonda, granddaughter of Henry and niece of Jane. Peter believes his daughter's career may end up surpassing those of her famous relatives. "She knocks my socks off." Well, he would say that, wouldn't he?

Maude Griffin is engaged to a police officer, Kevin Greene, who learned sign language in college. Griffin, the Oscar-winning star of "Children of a Lesser God," is deaf.

INTERNATIONAL CLASSIFIED Appears on Pages 4, 6 & 19

WEATHER

Table with weather forecasts for Europe, Asia, and Oceania. Columns include location, today's high/low, and tomorrow's high/low.

Forecast for Saturday through Monday



North America: A late-winter storm will bring heavy snow and gusty winds to the central Appalachians Saturday and to New England Sunday. Heavy snow and strong winds will hit the Midwest and the Great Lakes Sunday.

Asia

Table with weather forecasts for various Asian cities including Bangkok, Hong Kong, Seoul, and Tokyo.

Asia: Southern China, including Hong Kong and Shanghai will see this weekend. A few showers will accompany the warm weather in Shanghai. The north China plain, including Peking, will have a bit of rain early in the weekend. This area of rain will shift toward Japan by Monday.

Africa

Table with weather forecasts for African cities including Addis Ababa, Cape Town, Harare, and Nairobi.

Africa: A cold front will bring a bit of rain early in the weekend. This area of rain will shift toward Japan by Monday.

CROSSWORD

- ACROSS: 1 Former Iranian ruler, 2 What novices don't know, 10 Town in Abruzzi, 14 Bee flat, 16 Reporter's assignment, 18 Cross, 17 Song for Battle, 19 This may be blank, 19 Correct procedure?, 20 Laropus, 22 — breve, 24 Wipes out, 24 Infrared figure, 26 Adriatic island, 28 Regal month?, 31 Singer Lane, 34 Attestation, 36 Cuttlefish ink, 38 Strawberry's milieu, 41 Baum's — City, 43 Counselor, 44 City north of Mt. Carmel, 46 Fast flier, 47 Controlled, 49 One of the Aleutians, 51 Select and take, 52 Hero lived here, 54 T, 61 Ornamental flower, 63 Wise men, 64 "... the homage of —": Byron, 65 Demolish, 66 King Harold's predecessor, 67 One of the Vesayas, 69 Pitcher, 70 Angri, 71 Vassar purchase, 72 Wrange, 73 Was beholden to, 74 Word with mite or music, 76 Chrysobery, s.g., 77 Wrangle, 78 Was beholden to, 79 John —, first Duke of Roxburgh, 82 Esthete Walker, 84 J., 85 L.A. air problem, 86 Stank: Sp., 87 Small food fish, 88 Kicker, 89 Clinton's cousin.

Solution to Puzzle of March 11. A crossword puzzle grid with filled-in letters.

BRIDGE section containing a bridge game layout with North, South, West, and East hands, and a commentary by Alan Truscott.

BOOKS

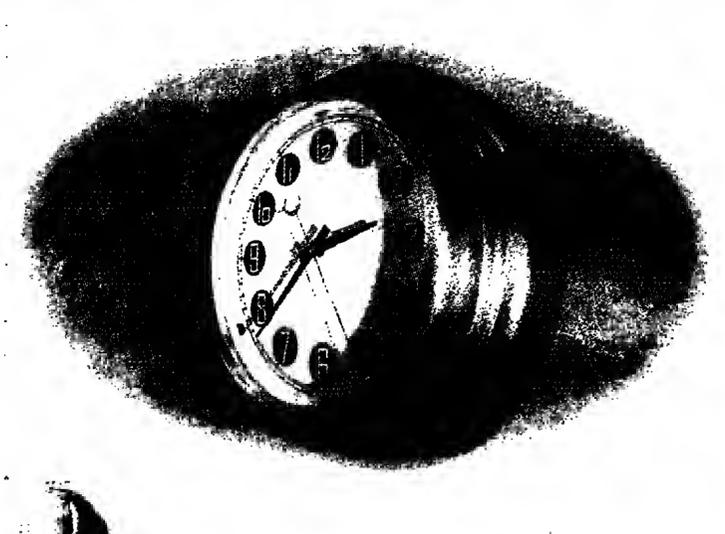
READ ALL ABOUT IT! The Corporate Takeover of America's Newspapers. By James D. Squires. 234 pages. \$20. Times Books. Reviewed by Robert Sherrill. JAMES D. Squires used to be a whiz-bang editor of the Chicago Tribune (the paper won seven Pulitzer prizes in the nearly nine years he was there) and was more recently Ross Perot's press adviser. He believes that traditional U.S. journalism is dying of greed.

stead of being three or four times more profitable than other businesses, they are just one or two times more profitable. The way in which many of them achieved that profitability, says Squires, is what's killing journalism. Ah, "is a sordid, sad story our chronicler has to tell, and it goes like this: Once upon a time most of the great newspapers of America, as well as the not-so-great, were owned and closely run by extremely independent individuals and families whose main objective was not to make money — but to influence and shape politics and economics. Or so says Squires: "For all its imperfections, the 'press' traditionally has been a people-oriented, privately owned, public-spirited, politically involved enterprise con-

cerned primarily with the preservation of democracy." This lofty (and, let's admit it, partly mythical) condition continued more or less, he says, until a couple of decades ago, when a serpent, in the form of Al Neuharth of the Gannett chain, slithered into journalism's Eden and tempted many other newspaper owners to follow him down the primrose path to Wall Street. He had become enormously successful on the Street by selling Gannett stock "in a way it had never been presented anywhere to anyone before; he billed it as 'a dependable profit machine in good times or bad.'" Wall Street loved Neuharth's slash-and-burn strategy and supplied him with the kind of predator bankroll that allowed him to build a \$3.4-billion media giant. Squires's attack takes in virtually all the press, but he does seem to

offer abolition to The New York Times, The Washington Post and the Los Angeles Times because, although they also went to Wall Street for money, they remain family-controlled. That's a weak point in his argument. There's no assurance that "family control" will be any more humane or less profit-oriented than any other control. Much of Squires's feisty, anecdote-rich jeremiad against the sins of his profession is quite convincing, all the more so because he concedes that as editor first of the Orlando Sentinel and then of the Chicago Tribune, he was one of the greatest sinners, sometimes even stooping so low as to make sales calls for the advertising department. Citing himself as an example, he admits that newspaper executives — including top editors — do as much as Wall Street does to feed

the culture of greed, since their bonuses and stock options depend on their papers' profits. Understandably disgusted with the present, Squires tends to over-romanticize the past. He even takes up for the crooked back-shop unions that helped kill quite a few good newspapers. Squires loses points by suggesting that the colorful old founders of modern journalism were generally motivated by a higher calling. Surely he would admit that the Los Angeles Times, for one of many examples, operates at a zenith of public service, compared to those days, long ago, when its owners used the newspaper for land and water piracy and to stifle for rightist politicians. Robert Sherrill, a magazine writer, wrote this for the Los Angeles Times.



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